We'll Never Cease Fire Till
Our Enemies Cease to Be

Nippon Times

Go Ahead, on to Victory
All Over the World

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CHINA RECALLS GREAT IDEALS OF ITS LEADER

Memorial Rites Held in Many Cities on 18th Anniversary Of Dr. Sun's Death

PRESIDENT WANG ATTENDS

Japan's Recent Moves Hailed By Nanking Chief as Step Toward Independence

Domei

NANKING, March 12.—The 18th anniversary of the death of Dr. Sun Yat-sen, father of the Chinese Revolution, was solemnly observed today in all cities and towns under the jurisdiction of the National Government of China.

Here in Nanking, a memorial service was held at the Sun Yat-sen mausoleum with the presence of more than 200 Government leaders including President Wang Ching-wei, Foreign Minister Chu Min-yi and Publicity Minister Lin Pai-sheng.

President Wang Ching-wei reported to the soul of Dr. Sun that the freedom of China has been completely obtained through the Sino-Japanese cooperation and that the unequal treaties which bound China for the past century have been abolished.

Later, President Wang and other Government leaders worshipped at the tombs of Chinese and Japanese politicians who sacrificed their lives for the Chinese Revolution.

From 10 a.m., another memorial service was held before the statue of Dr. Sun in the Hsinchiehkou Square in the city with participation of several thousands of Japanese and Chinese youths.

All Government offices, public organizations schools as well as commercial establishments in the city closed their doors today to pay tribute to China's leader.

Observed in Shanghai

Domei

SHANGHAI, March 12.—Shanghai today solemnly observed the 18th anniversary of the death of Dr. Sun Yat-sen. The city was decorated with both Japanese and Chinese flags. From 9 a.m., a joint memorial service of the government officials and citizens officiated by Mayor Chen Kung-po was held at the auditorium of the Special Municipality of Shanghai.

Wang Stresses Ideals

Domei

NANKING, March 11.—Japan's retrocession of its concessions and relinquishment of extraterritorial rights in China have paved the way for the complete independence of China in accordance with the ideals of the late Sun Yat-sen, declared President Wang Ching-wei of China in a statement issued tonight on the eve of the 18th anniversary of the death of the "Father of the Chinese Republic."

The President pointed out that Japan's friendly move was followed by similar gestures by other friendly powers, resulting in the abolition of the unequal treaties such as the Treaty of Nanking and the establishment of a coalition with powerful allies. He recalled that these were the things which Dr. Sun fought all his life for. Consequently, he added, China must forge further ahead toward completely fulfilling Dr. Sun's ideals and wishes in close cooperation with its friendly allies.

President Wang pledged on behalf of the Chinese people that every effort would be made to bring about the successful consummation of the War of Greater East Asia, to emancipate China and to realize East Asia Co-Prosperity in line with the principles advocated by Dr. Sun. He declared that the Chinese people should march along "the road of hope" indicated by Dr. Sun in the same spirit as that which inspired the pioneer revolutionists and their Japanese comrades who assisted them in order to accomplish the great work envisioned by the "Father of the Chinese Republic."

Yoshizawa in Shanghai

Domei

SHANGHAI, March 12.—Kenkichi Yoshizawa, Japanese Ambassador to French Indo-China arrived here by air this afternoon en route to Hanoi. The Japanese Ambassador is scheduled to stay here for a few days to confer with various circles before proceeding to Nanking.

Envoys View Flower Arrangements

Among those who studied and admired the flower arrangements on Friday at the Ikenobo School Flower Arrangement Exhibition now going on at the Uyeno Art Museum were the Axis Envoys shown in the above picture.

UCHIDA IS APPOINTED PRESIDENT OF TEIDAI

Former Dean of 1st Engineering Department Succeeds Late Baron Yuzuru Hiraga

Dr. Shozo Uchida, dean of the First Engineering Department of Tokyo Imperial University, was appointed President of that University by the Government, on Friday filling the vacancy created by the recent death of Vice-Admiral Baron Yuzuru Hiraga. Dr. Kanji Terazawa was relieved of his service as acting president the same day simultaneous with the appointment of Dr. Uchida.

In a press interview at the Yasuda Hall in the university compound on Friday, Dr. Uchida stated that he was very anxious whether he could fulfil such a great mission as to preside over the highest educational institution in Japan, but he was determined to make his utmost efforts to pull through the present emergency period facing Japan.

"Japan is now carrying on a titanic war to annihilate America and Britain," Dr. Uchida stated, "and this university, of course, must go through the decisive war structure. My predecessor has done a great deal toward regulation and reorientation of the university to a wartime setup, and moreover, he tried hard to place it on a family basis and to improve and expand the scientific system of engineering to meet the present requirements. I shall assume the policy bequeathed by my predecessor. I am determined to carry out my new task in a frame of mind as if I were summoned to the colors."

Dr. Uchida is a 50-year old native of Tokyo Prefecture.

On his graduation from the Engineering Department of Tokyo Imperial University in 1910, he joined the Mitsubishi Goshi Kaisha.

Later, Dr. Uchida was appointed assistant professor of his alma mater and then professor. In 1933, he was accorded the doctorate of engineering, in 1942 he assumed the position of chief of the first engineering department of Tokyo Imperial University. He was once the president of the Architecture Society.

JAVA JUDGES MEET

Hold Three-Day Parley at Surabaya Court

Domei

SURABAYA, March 12.—A three-day meeting of the chiefs of the district courts in East Java is being held since yesterday at the Surabaya High Court of Justice, it was learned today.

The chiefs of the district courts are being advised on matters suggested by the Military Administration. At the same time, detailed explanation is being made concerning the enforcement of the recently created economic police system.

British Submarine Sunk

The submarine P-131 is considered sunk, since she has failed to return to her base on schedule, according to an announcement made by the British Admiralty on Thursday, says a Lisbon dispatch to Domei.

More Than 30 Vessels Sunk in St. Lawrence, Canadian House Told

The Canadian government was placed in an awkward position by the exposition made by a parliamentarian of the opposition party, who revealed in the Canadian House of Commons on Wednesday that the total of the anti-Axis vessels sunk in the St. Lawrence River and the Gulf of St. Lawrence adds up to more than 30 ships in 1942 alone, in contrast to the government announcement which falsely maintained that the sinkings in these waters amounted to only two, according to a Buenos Aires dispatch to Domei, in relaying a wire from Quebec.

UYEBA NAMED VICE-CHIEF OF CENTRAL CHINA FIRM

Kaname Hirazawa Relieved of Post of Vice-Presidency Of Company

Tetsuzo Uyeba was appointed vice-president of the Central China Development Company on Friday, it was announced by the Ministry of Greater East Asiatic Affairs. Kaname Hirazawa was relieved of his post as vice-president of the same corporation, according to the same announcement.

The appointment of Mr. Uyeba succeeding Mr. Hirazawa was made public shortly after the appointment of Kikujiro Takashima as president of the same institution on March 7. Mr. Uyeba was graduated from the department of economics of Kyoto Imperial University in 1921 and for many years was connected with the now defunct Overseas Ministry. He was appointed Overseas Vice-Minister in December, 1941, and held that post until the Overseas Ministry was incorporated with the Ministry of East Asiatic Affairs in November last year. Since his resignation from that post he has been holding the presidency of the Japan Raw Cotton Cultivation Society.

ANNAMESE MADE INSPECTOR

Qualified for Higher Posts in Cochin-China

Domei

SAIGON, March 11.—Qualified Annamese in the future will be appointed inspectors in the Cochin-China provincial government, it was decided by the Government-General of French Indo-China.

Hitherto, only Frenchmen were eligible for these positions but as a result of measures for the promotion of Annamese officials, the Governor of Cochin-China now will select those with records of meritorious service.

These inspectors supervise administration of towns and villages

Kunshan Starts Drive

C.P.S.

SOOCHOW, March 11.—A preparatory committee meeting was held here recently under the auspices of the Kunshan Party Headquarters to discuss ways of raising funds for the national war chest in support of the Government's participation in the War of Greater East Asia.

CATHOLICS WORKING FOR P.I. FRIENDSHIP

Japanese Women Striving for Closer Ties With Filipinos Through Religion

"Through religion we are trying to promote closer friendship between the Japanese and Filipino people," declared Miss Ikue Takai, one of the Japanese Catholic women workers who arrived in Manila one month ago, it was reported by the Yomiuri-Hochi.

"Already a month has passed since we came to the St. Paulo Seminary which is located on Heran Street in Manila City, and mingling with the Filipino people, we have found that the Japanese and Filipinos have much in common in their everyday life, for after all, the peoples are both of Asiatic stock," the journal quoted Miss Takai as saying.

"Mass is held every morning at 7:15," she added, "and in the afternoon, we proceed to the St. Theresa Seminary which is situated nearby, to teach the students there the Japanese language and customs.

"We also have another general group of Filipino women as students. We teach three times a week and are greatly encouraged by the diligence of the students."

Miss Takai, it was revealed, comes from Hyogo Prefecture and after graduating from the college department of the Sacred Heart Girls' Academy in Kobe, she was on the faculty there.

KOO LEAVES CHUNGKING

On Way to London With Chien Tai

Domei

CANTON, March 10.—Chungking Ambassador to London Dr. V. K. Wellington Koo, who has been in Chungking since last October, and Chien Tai, newly appointed Ambassador to the refugee Belgian Government, have left for their respective posts by way of India with Clarence E. Gauss, American Ambassador to Chungking, according to information reaching here from Chungking.

It will be recalled that Dr. Koo returned to Chungking last October and has since been discussing various diplomatic question with Chiang Kai-shek and his cohorts.

U-BOATS WORRY ENEMY POWERS AS LOSSES RISE

Desperately Resort to Helicopters to Cope With German Submarines

CAN CARRY TORPEDOES

Intensification of Reich Efforts To Destroy Shipping Causes Food Shortage

The British and the United States governments are making frantic efforts to devise some counter-measure to cope with the German submarine operations, which are proving "too hot to handle," according to a Stockholm dispatch to Domei.

It is reported that the United States forces are now using helicopters to fight against the Reich U-boats, according to a London wire.

The anti-Axis transports are carrying small fighter planes, but in numerous cases, these combat craft are unable to land or return to the transports. The helicopters however are able to land on a very limited space, and furthermore, are capable of carrying a considerable amount of torpedoes, it is reported.

Forty-four crew members of the United States tanker Stag-hound, which was sunk by a German submarine in the Atlantic and were rescued by the Argentine merchantman Rio Colorado, reached Rio de Janeiro on Tuesday aboard the rescue ship, according to a Buenos Aires dispatch to Domei.

Twenty-five members of the rescued crew were sailors of the United States Navy, it was revealed in the announcement made by the Brazilian Foreign Office on Thursday, the dispatch added.

British Supplies Cut

Intensification of the German warfare to destroy the commercial traffic of Britain is proving a grave menace to the food supply of the British, according to a Stockholm dispatch to Domei on Thursday.

According to a London report received in Stockholm, First Lord of the Admiralty Captain Albert V. Alexander at question time in the House of Commons on March 10 testified that the submarine menace was quite grave and the Government was doing its utmost to build convoy vessels.

In its editorial for March 11, the Evening Standard pointed out the grave danger from German submarine activity and severely criticized the lack of a definite policy on the part of the Government to meet it. It is evident that the people of Britain are growing dissatisfied over the attitude of the Government toward the mounting loss of ships, which is to minimize it and to slur it over.

According to another London report, Emmanuel Shinwell, a Laborite, at question time in the House of Commons on March 10 asked the Government whether it was not unreasonable that the number of merchant ships lost should be so jealously guarded when the British navy losses had already been definitely announced at 435 since the outbreak of war. In the previous war, British merchant crews numbering 14,000 were drowned. The Government must surely announce that the number drowned in this war is far greater.

On top of the submarine menace, it appears that a severe shortage of hands at dockyards is now an issue in Britain. The Daily Mirror on March 11 stated that many dockyards were forcing shipbuilders to work day and night. One dockyard

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Today's Press Comments

Saturday, March 13, 1943

(Excerpts from important editorials which are appearing this morning in the leading vernaculars are published herewith. Translations of other editorials will be found daily in the Evening Edition of the Nippon Times.)

Restrengthening China's Wartime Economy

NIPPON SANGYO—The National Government on March 11 held a session of the Supreme Defense Council and took up as the first step toward the establishment of decisive war economy the problem of wartime goods control. It decided on a provisional decree governing a National Assembly for Commodities Control and a provisional decree for control over wartime shifting of goods and it also decided to abolish the existing regulations concerning the shifting of materials in the pacification areas and their shipment into and out of such areas. The two decrees were promulgated on March 12 and the latter regulations were scheduled to be enforced from March 13.

On the part of the Japanese authorities, they have decided to abolish or moderate the restrictions on the movement of goods in the lower reaches of the Yangtze and shipments into and out of Shanghai, except arms and ammunition and war industrial materials, as a measure to ease the living conditions of the people. A provisional decree embodying this modification was announced by the military and

(Continued on Page 2)

Stimson Fears Intensified Bombing Of U.S. Positions in South Pacific

Ex-Commander of Dutch East Indies Naval Forces Exposes Lack of Coordination Between Air and Naval Command of Anti-Axis Units

Imperial Air Units bombed Buna, New Guinea, on Wednesday, it was announced by the enemy headquarters for the Southwestern Pacific on the following day, according to a Domei dispatch from Lisbon.

News from Washington persistently reports an increasing strength of Japanese Air Units in the skies over the Solomons and New Guinea area, which are now regarded as the arena for decisive aerial battle between Japan and America, according to a Buenos Aires dispatch to Domei. United States War Secretary Henry L. Stimson referred to this situation in a press conference on Wednesday and is reported to have made the following statement:

"Judging from various conditions, the United States may have to go through still harder fighting in the Southwestern Pacific. The intensification of aerial bombings by Japanese Air Units is very likely to be realized."

In the course of the same press conference Stimson made public some of the damage done to the American forces on the Tunisian front, but made strenuous efforts to keep secret the difficulties experienced by his forces. Stimson, the dispatch says, made the following comment:

"The American forces on the Tunisian front suffered damages, consisting of 59 killed, 176 wounded and 2,007 missing with an aggregate of 2,242 during a period from February 14 and 20. The majority of the missing are believed to have been captured.

"The damage done to the American forces is far greater than that done to the British or French forces. The Axis forces during this period moved and counter-attacked with great activity and scored brilliant results. After the fierce battle lasting for 10 days, the anti-Axis forces temporarily retreated toward the Algerian frontier, but are determined to recapture their lost grounds. Turning their spearhead, the Axis forces commenced the attack on the northern part of Tunisia."

Dutchman Warns Allies

In the meantime Admiral O. E. L. Helfrich, ex-commander of the Dutch East Indies naval forces, declared that the anti-Axis forces in the Southwestern Pacific lack unity and cooperation between the air and naval units at a press interview upon reaching Sydney on Thursday, according to a Lisbon dispatch to Domei.

"Unless the anti-Axis air and naval forces operate in close collaboration, a road to victory will never be open for the allied cause," he warned.

"The Netherlands East Indies fought for three months from the outbreak of the current hostilities, for the defense of Australia, rebuffing the fierce onslaughts of the Japanese Forces, thus giving Australia a chance to prepare for its own defensive," he stated.

NORTH CHINA TO UP RAW COTTON OUTPUT

30 Per Cent Increase Envisaged in Plans for 1943—To Use Better Seeds

Domei

PEKING, March 11.—An increase of from 20 to 30 per cent in North China's raw cotton production for the 1943 cotton year is envisaged in the program just completed jointly by the Cotton Production Improvement Association and the Cotton Industry Association, it was learned today.

The plan which has been adopted by the North China Political Council calls for the establishment of special plantations for obtaining superior seeds. For this purpose, 63 counties already have been selected with a total acreage of more than 6,600 acres, it was revealed.

To realize increased production, the cooperation of all those interested in cotton, including cotton growers, cotton goods manufacturers, spinners and textile goods dealers is being enlisted.

A special committee has also been organized with members of the Cotton Production Improvement Association, and the Cotton Industry Association as well as spinners and cotton textile merchants, with the same objective, it was also learned.

EXCHANGE CONTROL ACT IS ADOPTED FOR BURMA

To Protect Fair Profits of Merchants, New Regulations Ordered

Domei

RANGOON, March 11.—Paralleling economic development in Burma and the surrounding regions, the Japanese Military Administration in Burma has decided to enforce new exchange control regulations from March 15.

The new regulations, which are based on the fundamental principle of placing exchange rates between Burma and other places in the Southern Regions at par, also call for the imposition of special taxes on goods exported to or imported from areas where the prices of commodities are lower such as Java for the protection of fair profits of merchants concerned.

According to the provisions of the new regulations permits granted by the Military Administration to those who draw bills of exchange in payments in transactions will stand good for the recipients of such bills.

MANCHOUKUO AIMS TO INCREASE POWER

Efforts Being Made to Mobilize Commodities Both in Agriculture and Industry

Domei

HSINKING, March 12.—Manchoukuo is now making strenuous efforts to aid Japan in the prosecution of the Greater East Asia War by storing up reserve fighting power and developing all phases of its industry and agriculture.

By virtue of strong inseparable ties with Japan, Manchoukuo, in recent years, has made phenomenal strides in the development of its heavy industries by switching over from peace-time to wartime production. The output of pig-iron, especially, has been noteworthy.

The Showa Steel Works, the Penhsihu Colliery and Iron Company and others have already shipped their respective pig-iron quotas for the 1942-43 fiscal year.

In the coming fiscal year, energetic efforts will be made to increase the production of pig-iron by 60 per cent, declared Rokuzo Takebe, Director-General of the General Affairs Board of the State Council, at a conference of provincial governors held at Hsinking on February 15.

According to the one-company-one-business policy of specializing each industry announced some time ago, the Manchoukuoan Government declared February 26 that the Fuhsin, Haokang, Peipiao and Hsian coal mines, which hitherto have been under the control of the Manchuria Colliery Company, will be operated independently.

The Manchuria Colliery Company, in the past, has played an important role in the coal-mining industry in Manchoukuo by bringing almost all coal-mines under its control, but in order to increase production of coal under the existing conditions, operation of the four coal-mines separately has become necessary.

Much is expected in the future of the four coal-mines with their present output of nearly 89 per cent of Manchoukuo's total coal production.

Furthermore, Manchoukuo is now playing an important part as the supplier of agricultural products to Japan, sending large quantities of soya beans, Indian corn and other produce. On the basis of the second 5-year plan, the Manchoukuoan Government is encouraging increased production of agricultural produce.

By New Year of the lunar calendar, the Manchoukuoan Government purchased agricultural products amounting to 85 per cent of the quantity covered by the commodity mobilization plan. Collection of agricultural products in the future is expected to increase greatly.

MOSCOW TRIP BY ROOSEVELT SAID POSSIBLE

U.S. Political Circles Favoring It to Ease Tension From Standley's Talk

SOVIETS NON-COMMITTAL

Secret Negotiations Between Washington and London Reported on Issue

The possibility of President Roosevelt going to the Soviet Union in the near future to see Premier Josef Stalin in an effort to ease the presently strained relations between the two countries out of the recent statement by American Ambassador Admiral William Standley that the Soviet Government was not informing its people of American aid is reported in a Washington dispatch according to Domei.

Another dispatch to Domei, from Zurich under date of March 11, says that the American and British Governments are carrying on negotiations in secret in connection with the situation that has resulted from Ambassador Standley's remarks.

London reports indicate that the American and British Governments hope to reach an agreement, and that they will then open negotiations with the Soviet Government.

The London correspondent of the Neue Zuricher Zeitung in a dispatch to his paper on March 11 said:

"Vice-President Wallace of America has stated that it would be necessary for America and Britain on one side and the Soviet Union on the other to reach a complete agreement of views if a third world war is to be averted.

"Many competent observers believe that negotiations will shortly be opened between Washington and London for an agreement on the basic principles of foreign policies to be pursued by the two countries now and after the war.

Negotiations Possible

"These observers are inclined to the view that an agreement between Washington and London might be followed by negotiations by the two countries with the Soviet Union to have it join the agreement.

"It was stressed by these observers that the Government circles of Britain elect to be reticent about the matter.

"A source which is perfectly reliable says:

'The caustic statement of Ambassador Standley about the Soviet Union signifies much. It might be the occasion for talks between America and Britain on matters of policy. The most rational interpretation of the Ambassador's remarks is that they were but voice given to the condition of anti-Axis countries where things are in so bad shape that the Governments have to get together and talk over matters of policy if they hope to work together at all. Any negotiations between Washington and London at this moment can be considered as the prelude to a conference attended by the representatives of all countries which are opposed to the Axis.'

Admiral Standley in the meanwhile had a meeting with Foreign Commissar Viacheslav Molotov on March 10. In his interview given newspaper correspondents that followed, the Ambassador avoided touching on what transpired at the meeting with the Soviet official. He merely said that he had laid his views with constructive intent, according to a Domei dispatch from Moscow.

Up to March 10 the newspapers of the Soviet Union had refrained from saying anything about the issue that arose from Ambassador Standley's criticism of the Soviet Government.

Soviet Papers Print Details

These papers suddenly came out on March 11 with a full account of the details of the question. They revealed the character of the American Ambassador's statement in question, disclosed what American Under-secretary of State Sumner Welles had told the press about the Ambassador's remarks, and displayed the comments of American Senators and Representatives on the situation.

They carried Tass dispatches about the question from New York, Washington, and London.

They all reported that the Government circles of America and Britain consider that Ambassador Standley's statement is a serious hindrance to the present and future relations of America and the Soviet Union.

Among the cables carried by them

(Continued on Page 2)

MATSUI SAYS CHIANG IS TRAITOR TO CHINA

Japan Has Blasted Erroneous Conceptions of Many by Noble Actions

A traitor to his countrymen, a puppet in the hands of Anglo-American intrigue, Chiang Kai-shek has today betrayed China and her 400,000,000. He has failed to grasp the lofty ideals of the eminent Dr. Sun Yat-sen, promulgated in the latter's Three People's Principles, and unless he awakens to the doctrine of the founder of the Chinese Republic, China will be tragically doomed to oppression under Anglo-American imperialism, states General Iwane Matsui, Vice-President of the Asia Development League, in an article appearing in the Tokyo Shimbun.

"The basic motive which has instigated Chiang Kai-shek to harbor anti-Japanese sentiments for these past many years, arises from the fantastic delusion, ingrained in him at the time of the Manchurian Incident, that Japan fosters territorial ambitions in China. With the founding of the Manchoukuo Empire, his erroneous conception of Japan's objective became further strengthened, ultimately urging him to seek measures for checking Japan's maneuvers.

Know Japan's Stand

"It is strange, for Chiang Kai-shek and his supporters must have full knowledge of Japan's objectives in founding the state of Manchoukuo. Those who sought refuge in Japan at the time of China's revolution, especially Chiang Kai-shek who remained for sometime after the course of the revolution was lost to him and to his colleagues, are in a position to know the Japanese people and their trustworthiness. During my sojourn in Shanghai at the time of the first and second revolutions, and at the time of the restoration of the Yuan Shih-kai monarchy, I myself came in touch with many prominent Chinese. Through such personal association, many of China's leading men must of necessity realize that Japan harbors no imperialistic designs toward their territorial integrity.

"It is apparent that Chiang Kai-shek has utilized the founding of the Empire of Manchoukuo as the one means for inducing his countrymen to unite with him in his cause. By instigating anti-Japanese feeling among his people, he has aimed for the unification of his country. Propagating hatred of Japanese among elementary school children, goading his countrymen into realizing their lack of reliability and their national weakness, he has launched upon a bitter, anti-Japanese campaign.

Must Oust U.S.

"Her long-cherished desire for the rebirth of China may be attained only through the ousting of Anglo-American influence. The ideal of the Three People's Principles, upheld by the founder of the Chinese Republic, advocates the resurrection of the peoples of Asia through the unification of their efforts and through the destruction of Anglo-American domination. Unfortunate is the fact that Chungking, unable to appreciate the magnanimity of Dr. Sun Yat-sen's principles, must continue its blind hostilities against Japan in the hinterlands of China."

Enumerating the Chungking regime as the cause for the inevitable enmity among the Chinese themselves, he went on to elucidate that "the National Government at Nanking, realizing the importance of close cooperation with Japan for the mutual attainment of a new order for the peoples of Asia and, consequently, the lasting happiness of the Chinese, has declared war on the United States and Britain. Thus, China now finds herself divided into two opposing camps, one cooperating with Japan, the other still lulled by the coercions of the anti-Axis powers. Through his hostile attitude toward Japan, Chiang Kai-shek has brought about a great catastrophe not only to his own countrymen but to the peoples of East Asia.

"In view of the Asianism which was advocated by the late Dr. Sun Yat-sen and by the Japanese for the past thirty years, the present upheaval in Asia is a god-willed inevitability. By resorting to an anti-Japanese policy in the China affair, however, Chiang Kai-shek is responsible for having lighted that match which was to set aflame the whole of turbulent Asia. Years ago, it was apparent that Anglo-American domination in Asia was a fatal obstacle to the welfare of the peoples of Asia. Today the situation has aggravated to such a point that nothing short of their complete annihilation in East Asia will insure the security of Asia and her 1,000,000,000. Future prosperity and happiness can be realized only through the united efforts of the peoples of entire Asia under the leadership of Japan.

Nanking Assisting Japan

"Misguided and blundering, Chiang Kai-shek is yet dozing under the lethargic influence of an old and out-worn order. The National Government of China, on the other, headed by its President Wang Ching-wei, in inseparable relationships with Japan, has pledged its oath to copulate its efforts with Japan. Under administration of their President, China is today progressing steadily toward the rebirth and reconstruction of the entire world. In action and in spirit, the two regimes widely differ."

In closing, the General emphasized the greatness of Japan's mission, stating that "Japan is now staking its own existence and destiny for the liberation and rebirth of the peoples of Asia. The war she has instigated is but a sacred desire for the salvation of Asia. Determined to destroy the enemy, conforming with that true Japanese spirit inherited from the days of the founding of the Empire, she is ready to meet the obstacles which now obstruct her path. Victory in the current war Japan must achieve, for it is she who must ultimately effect not only the construction of a Greater East Asia, but a new order for the entire world."

Shonan Industrial Workers

Carefully taught by able Japanese technicians, native industrial workers in Shonan are working diligently to produce commodities which will help destroy America and Britain. The upper photo shows native workers working skillfully with pneumatic drills. Lower photo: a Shonan worker being shown how to assemble parts.

U-Boats Worry Enemy Powers As Losses Rise

(Continued from Page 1)

has made special skilled laborers work three days and nights without stop with only an hour's rest each day. At this rate, what few skilled workers that remain now would all break down.

Secretary of State for Air Sir Archibald J. M. St. Clair Sinclair in the House of Commons on March 11 announced that a transportation headquarters and a special anti-tank corps had been instituted in the Royal Air Force.

The transportation headquarters was created for the purpose of destroying the commercial traffic of the enemy, Sir Archibald said. It will control the movements of the British air reinforcements overseas and transportation between home and foreign countries. The Royal Air Force, the Air Secretary asserted, has sunk or wrecked more than 1,000,000 tons of Axis shipping in the last two years. It also laid in 1942 nine times more mines than in the previous year and a considerable number of Axis ships have been sunk from having come in contact with them. Contact between the land and air arms has gradually been improved and the commander of the Indian army has reported that the cooperation given by the air force in Burma has been quite satisfactory. The British air force in India is being steadily organized under Air Chief Marshal Pierce.

Malai Farmers Aided

C.P.S.

SHONAN, March 11.—A group of agricultural workers, who had received training under the direction of Japanese agricultural experts in the technique of improving farming methods, have been dispatched by the Chinese Presidents' Association here to coach farmers in the Malai Peninsula. The Association hopes to introduce scientific farming methods, perfected in Japan, to the farmers there, who have hitherto not received such help when under British domination.

China Chambers Expand

C.P.S.

SHANGHAI, March 11.—The Shanghai Chamber of Commerce has completed plans for the organization of two branch offices at Nantao and Woosung. Altogether about 170 industrial and commercial associations and guilds have already registered with the chamber for membership.

Aspiration to Become 'Eaglets' Realized By Two Lads With Support of Classmates

Through the steadfast belief and earnest encouragement of their classmates, two young boys of the second grade of the senior course of the Ushiro-machi National School in Nagano have been enabled to pass the entrance examinations of the Junior Course of the Naval Aviation School, reports the Mainichi. They are Nagaharu Nakajima and Nobuo Furuyama.

Since their childhood, both Nagaharu and Nobuo cherished dreams of becoming "eaglets" of the air. Nagaharu, however, had need of conquering a habitual train and seasickness, while his friend was thin, underweight and undernourished.

Realizing the profundity of their aspirations, their classmates schemed to assist them in the training of their bodies, and one day, after school hours, called the two to offer them their hearty and loyal support. Deeply moved and encouraged by the friendship manifested by their determination to overcome all obstacles, that they might realize their long-cherished desires.

Accompanied by their classmates, the two began their stringent training, jogging daily a distance of four kilometers, throwing rocks for gruelling hours, and exercising for muscle development. Interminably, amid an atmosphere of friendship and good cheer, the rigorous training continued. Examination day drew near and found the boys robust in body, alert of mind.

On the day of the examination, following their send-off party, the boys of the second grade of the senior course saw the two boys off at the station, cheering and encouraging them. Vindicating the beliefs and the efforts of their fellow classmates, the two passed the physical and written examinations with high honors. Dreams of their youth had become a reality.

Moscow Trip By Roosevelt Said Possible

(Continued from Page 1)

was one from New York, repeating what the Moscow correspondents of the Herald-Tribune and the Associated Press had cabled home. The New York report quoted the correspondents as saying to the following effect:

"Various Soviet newspapers have always published details of American aid to the Soviet Union. The people of the Soviet Union are great readers of newspapers. These reports of American aid to the Soviet Union may not have escaped their attention. Nobody knows this aid as expressed in figures, since such a knowledge constitutes a military secret.

"The Soviet Government continues holding its peace about the matter."

The political circles of America, according to the Washington correspondent of the Neue Zuericher Zeitung, are for President Roosevelt meeting Premier Josef Stalin of the Soviet Union in person.

The correspondent says that the news of a call made by President Roosevelt at the Kremlin will not be in the way of a surprise to many in anti-Axis countries.

The correspondent goes on:

"The statement of Ambassador Standley has caused a flurry in Washington. Its effect in Moscow seems to be different. There is reason to believe that the Soviet authorities have a better understanding of it than we imagine. Immediately after the statement was made by the Ambassador the Moscow radio station broadcasted news about American aid to the Soviet Union.

"The matter which is hotly debated in American political circles at the moment is the question of how to bring into harmony the position of the Soviet Union and those of Poland, Finland, and other countries.

Today's Press Comments

(Continued from Page 1)

naval authorities and the Embassy authorities to take effect on March 16.

These measures are expected to contribute immensely to the establishment of decisive war economy based on Sino-Japanese cooperation.

It is an unconcealable fact that because the area throughout Central China lying near the Yangtze River is fertile there was much interflow of commodities but that since the China Affair various factors had prevented a satisfactory economic development of the region. And even after the National Government was established and perfect peace and order was brought about a smooth flow of goods still could not be expected because of the military requirement of preventing commodities from leaking into the areas under Chungking control. While the Chinese side did not have enough actual power to satisfy this military requirement it was natural for Japan not to ease or abolish these limitations. But, the National Government, to secure the necessary war commodities since it entered the war, had to move to abolish the limitations placed on commodity movements. Thus because of the National Government's increase in power and because of the beginning of our policy toward China a wartime structure for Chinese economy has been realized with Japanese-Chinese cooperation.

A change has taken place in the general attitude of the people of China toward Japan after this country abolished unequal treaties with China and turned over enemy properties to the National Government. One result of this is an increase in the confidence of the Chinese masses in the National Government. This state of things is helpful to the Government in getting Chinese capitalists to show a greater interest in the development of national enterprises. The Government has now enforced new regulations concerning the movement of commodities and the conduct of business enterprises. The measure will improve the conditions which have stood in the free movement of commodities to the centers of consumption.

EX-CHIANG SOLDIER HELPS NIPPON ARMY

Liu Who Blasted S.M.R. Line That Started Manchu Incident Recalls Act

Mainichi

HUPEH FRONT, March 11.—Fact again proved stranger than fiction when a Manchurian army officer who, together with his men, blasted the South Manchuria Railway line at Liutiaokow near Mukden 12 years ago which led to the outbreak of the Manchurian Incident was found offering his cooperation to Imperial Forces in action on the Hupeh front as a member of the propaganda unit.

The officer, who a decade ago played the main role in the act that started the historic incident is Captain Liu Tang-wen, 37, a native of Liaoyang in Manchoukuo. Now, as a member of the propaganda corps of the XX Unit of the Imperial Army, he is zealously appealing to his former comrades-in-arms in order to awaken them to the cause of New China.

It is recalled that the Anglo-American Powers and their associate tried to distort the actual facts regarding the inevitable outbreak of the Manchurian Incident which was caused by the unlawful destruction of the South Manchurian Railway line by some Chinese soldiers, ignoring Japan's rightful elucidation. Their distortion and vicious propaganda have now been completely blasted by the appearance of Captain Liu, a living witness, who recounted the incident as follows:

"In 1931, I was the commander of a company of General Chang's army in Mukden. While the hostility of the Northeastern army was mounting against the Japanese Forces and provoking activities were rampant, I received a secret order from the authorities on September 18. The order was to blast the railway line at Liutiaokow. At midnight the same day, I went to the assigned place leading some of my subordinates.

"The explosives were laid under the railway tracks and we hid ourselves in a small basin nearby. The next moment, the mines exploded with a terrific detonation and the sleepers and railway tracks were destroyed.

"I sent my men back to the barracks and to conceal the fact that the incident had been caused by soldiers, I left civilian clothes on the spot."

Captain Liu left Mukden together with the members of his legion and went to North China through Shanhaikwan. In the course of the flight, the Northeastern army was disbanded.

He later joined the anti-Japanese camp with the outbreak of the China Affair and surrendered to the Imperial Forces in 1941. Now, Captain Liu is offering his cooperation to the Japanese Forces by collecting information and doing propaganda work against the enemy.

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Physician Who Attended Dr. Sun Yat-Sen Recalls China Patriot's Fighting Spirit

Domei

PEKING, March 11.—Even while he was abed with fatal illness, the late Dr. Sun Yat-sen's lofty ideals to realize complete independence for China did not waver, Dr. Isamu Kosuge, former head of the Kosuge Hospital, who attended him at Tientsin in 1924 disclosed today in the course of a press interview on the eve on the 18th anniversary of Dr. Sun's death.

Dr. Kosuge, now president of the Federated Army Reservists' Association in Peking, recalled today that the gentle outward appearance of the late President of China failed to conceal the fiery passion that burned within for the ultimate welfare of the Chinese people.

"When I examined Dr. Sun in Tientsin in December 1924, his illness was already quite serious," Dr. Kosuge stated.

"Lest the Chinese people become agitated in learning that their leader was fatally ill, it was announced that he was merely suffering from a liver disorder.

"Later Dr. Sun was transferred to the Rockefeller Hospital in Peking where he died on March 12, 1925.

"The death of Sun Yat-sen was grieved by over 400,000,000 Chinese people as well as by the nearly 2,000 Japanese residents in Peking.

"One certainly regrets that the founder of the Chinese Republic died before the attainment of his life-long ideals for the restoration of China's sovereign rights and the founding of a Greater Asia through close collaboration between Japan and China 18 years later."

CAMPAIGN IS SCHEDULED TO ENCOURAGE WORKERS

Memorial Services to Be Held For Workers Killed While Engaged in Duty

A nation-wide campaign to encourage workers in various industrial fields is to be commenced from March 17 to last till March 31.

A grand rally to express thanks to workers will be held on the opening day at the Gunjin Kaikan with 1,500 delegates throughout Japan invited to the function.

Special programs to be featured during the campaign will be a memorial service in honor of workers killed while on duty, the recognition of model families and a consolation party for the families of the workers killed, a send-off ceremony for those who have just graduated from national schools and are about to start out on a new life as workers, dispatch of entertainment troupes to factories and dormitories attached to them, sending of consolation letters and presents to families of workers killed, and lastly, a minute investigation into the condition of workers.

In order to enhance this special campaign, neighborhood associations, itinerant exhibitions, theaters, newspapers and other publications, and radio facilities will be utilized.

China to Up Cotton Output

C.P.S.

NANKING, March 11.—With a view to increasing efficiency and promoting thrift, the Ministry of Industry has decided to open model cotton fields in the pacification areas instead of establishing Cotton Improvement Offices as was formerly decided. It is revealed that three model fields are scheduled to be opened in the Shanghai area and two in the Nanking area.

Chinese Cadets Celebrate

C.P.S.

NANKING, March 11.—The first anniversary of the founding of the Central Military Officers Training Corps was observed here recently by over 4,000 alumni and many leading Government officials outside the Hwang Hwa Men. President Wang Ching-wei officated at the ceremony in his concurrent capacity as director of the corps.

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SCHOOL FOR ENGINEERS IS SCHEDULED IN PEKING

Japanese Technicians for Duty In North China and Mengchiang Will Be Trained

To develop Japanese technicians who will be active in the first lines of economic development in the North China and Mengchiang areas, the North China Higher Engineers School will be established in Peking under the leadership and supervision of the Ministry of Greater East Asiatic Affairs. The Toa Dobun Kai will manage this institution.

To educate the students completely the entire student body will be housed in school-owned dormitories, similar to the system used by the Dobunshoin University. Three hundred sixty students will be enrolled of which 120 will be accepted this year. Three year courses will be given in three departments; that of mining and metallurgy, mechanical engineering, and electrical engineering. Japanese who have graduated from middle school or who have abilities equal to that will be eligible.

The British-owned Leicester Engineering School in Shanghai, taken over with the outbreak of the war, will be called the Toa Kogyo Gakuin, East Asia Engineering School, and will be managed by the Shanghai department of the Dobun Kai to develop Chinese technicians.

Four hundred and seventy students will be enrolled in three departments; a three-year elementary department, a three-year intermediate department, and a four year finishing department.

Kuan Named Director

C.P.S.

PEKING, March 11.—The North China Political Affairs Commission has appointed Kuan Yi-hsien as director of the Department of Information.

REQUISITIONING LAW COVERS PRESIDENTS

Executives of War Material Plants May Be Pressed Into Service

The requisitioning of presidents of corporations specialized in the manufacturing of vital war materials will be enforced by the Government shortly in conformity with the "Outline of Urgent Measures to Increase and Strengthen Production through Labor," which was adopted at the Cabinet meeting of January 20.

The new step is considered vitally important in view of the present stage of development of the War of Greater East Asia.

Joint meeting of the Government authorities concerned and representatives of economic and industrial organizations was held on Thursday at the Industrial Hall regarding their cooperation in the functioning of this epoch-making labor system. Welfare Minister Chikahiko Koizumi, Welfare Vice-Minister Gunji Takei and Director of Labor Bureau Yoshio Mochinaga represented the Government. Representing industrial circles were 65 persons, including Aiichiro Fujiyama, president of the Japan Chamber of Commerce and Industry, Hachisaburo Hirao, president of the Key Industry Federation, Takashi Isaka, president of the Japan Economic Federation, Churyo Obata, president of the Industrial National Service Association, and others.

The gist of Welfare Minister Koizumi's greeting at the meeting follows:

"The Government regards it essential for Japan to establish a structure of national unanimity to achieve the objective of production increase and strengthening. The structure hereby to be built up is one like the whole oneness of presidents down to the employes of institutions requisitioned by the Government. Special devices are hoped to be adopted by all the institutions thus situated to the end of enlarging and strengthening the situation of requisitioning.

"Words of appreciation are due to the persons responsible for the management and workings of factories under requisitioning for their untiring efforts to meet the requests of the Government, by which production has been enlarged and increased since the outbreak of the China Affair. The prospective enforcement of the requisitioning of presidents of such industrial plants is a keener manifestation of the Government to add much more momentum to the vital necessity of production increase.

"It is a matter of course that all those engaged in production should meet the situation as one solid mass and the requisitioning of presidents of institutions means that they must concentrate themselves on production gain in perfect accord with the men under them and with strict regulations."

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INDUSTRY HEAD MEI THANKS JAPAN'S ACT

Expresses Appreciation for Provisional Regulations Over War Materials

Domei

NANKING, March 12.—Commenting on the establishment of the National Economic Control Association and the provincial regulations governing control over war materials, Mei Ssu-ping, Minister of Industry and Commerce of the National Government of China, expressed today his appreciation to the Japanese authorities concerned for their close cooperation in this connection.

The provisional regulations governing control over war materials, Mr. Mei declared, was enacted in order to ensure the supply of these resources and to stabilize people's livelihood through economic rehabilitation and adjustment in commodity prices, thereby enforcing a rationalized control over economy.

At the same time, rules and regulations were instituted whereby leaders in the economic field will be instructed to form immediately the National Economic Control Association to cooperate with the Government in disposing of various items associated with control over materials and resources.

To Be Set up Soon

The proposed body, he said, is expected to be organized formally in the near future since the meeting of promoters will be called in Shanghai today.

For making possible the enforcement of control over various materials, Mr. Mei declared that he deeply appreciates the collaboration accorded toward this end by the Japanese Army, Navy and Embassy circles who strived to alleviate the former control in order to remove hardship from the Chinese masses.

He added that the enforcement of control over war materials is but a provisional measure and eventually, the National Economic Control Association will be authorized to regulate the removal of all war materials independently.

The highlights in the revision of control referred to are:

1. That the control was hitherto effected according to the proclamation of the Japanese military authorities and enforced solely by the Japanese Army itself but hereafter, it will be based on rules and regulations stipulated by the National Government of China and by the Japanese officials. The Japanese Army, therefore, will not undertake the control directly except in certain specified zones and in cases where its intervention is deemed necessary.

2. That the control over removal of materials in peace zone has been mitigated considerably, limiting the sphere to Shanghai and vicinity.

3. That a noticeable cut is seen in the number of items subjects to control, the 37 articles hitherto stipulated having been reduced to 17.

4. The organ for licensing the movement of goods will be shifted from the military authorities to the National Economic Control Association from March 16.

Financial Position Bolstered

Financial experts considered the Bank of Japan's extension of the ¥200,000,000 credit to the Federal Reserve Bank of China on Wednesday striking evidence of the swift development of a new financial structure in East Asia, comments Domei.

Noting the recent agreements with financial organizations of Thailand and French Indo-China, these experts said the latest tie with the Bank of Japan not only solidifies the financial relationship between Japan and China, but it heralds a new stage in the financial organization of Greater East Asia centering around the Bank of Japan.

They declared the significance of the present credit agreement lies in the establishment of a medium for direct contact between the Chinese Bank and the Bank of Japan. Parity between the yen and the Federal Reserve Bank note will strengthen the latter, the experts said, predicting, however, that the credit will not be tapped early since the Federal Reserve Bank of China has sufficient yen reserves to satisfy exchange.

Since its establishment on March 10, 1943, the Federal Reserve Bank succeeded in completely shutting out the old currency from North China. Subsequently, financial experts declared that swift and adroit measures taken by the Federal Reserve Bank made it fully the central bank of North China.

China Bans Globe Fish

C.P.S.

SHANGHAI, March 11.—The China Pictorial Dramatic Association has been requested by the Shanghai Municipal Council to write plays on the subject of globe fish poisoning in town. The general public will be entertained shortly by the association with dramas dealing with the poisoning of this fish and showing ways and means to prevent further tragedies.

Intense Cold Is No Barrier

The photo shows a scout of the Kwantung Army with skis to facilitate his maneuvers through snow-covered country and a military dog with him to assist him in his duties. (Passed by the War Ministry)

FACTORIES OF CHINA WORKING FULL TIME

24-Hour Schedule Maintained By Plants to Manufacture War Materials

In keeping with its policy of cooperation with Japan, the National Government of China is now exerting its utmost efforts toward the increase of wartime production. Conforming to the measures of the Government, the Changchow Factory situated midway between Nanking and Shanghai, is maintaining a 24-hour program for the accelerated production of wartime materials, reports the Asahi.

Immediately upon the outbreak of the China Affair, the factory, which had been reduced to ruins, was restored completely under the supervision of five Japanese technicians. During the following six years, it saw not only its repair work completed but the installation of 200 new machines.

Aiming at self-sufficiency in necessary materials, the Central China Railway Works inaugurated the casting of iron and the manufacture of coke and acetylene. Thirty-ton cranes of British-make have now been displaced with 45-ton cranes of Chinese manufacture.

In cooperation with Japan, the National Government at Nanking is today playing an indispensible role not only as a supply center but as an important military base in the War of Greater East Asia.

GERMAN HOCKEY ELEVEN TO MEET MITA PLAYERS

Stiff Opposition Expected for Yokohama Veterans From Former Keio Stars

A full sports program is scheduled to be played off at the Yokohama Country and Athletic Club over the weekend with soccer, handball and hockey games being arranged with outside opposition. From 2:30 p.m. today the club's soccer team will see action against the Sanchu eleven while the handball players are booked to meet the German handball team from 2 p.m. sharp Sunday. The German first hockey eleven will then play the strong Mita Hockey Club from 3 p.m.

The club soccerites this afternoon will take the field after a long lay-off but they are expected to turn back the middle school boys as they are presenting their strongest line-up.

The probable handball interport team will face the Germans Sunday afternoon and a keen game is expected to result.

The German hockey eleven will make a determined effort to climb back into the win column when they face the Mita Club, but the visitor's are expected to offer stiff opposition as their team comprises of a galaxy of former Keio varsity stars.

The following players will comprise the teams: Soccer: Harriss, M. Fachtmann, Bielous, Fehlen, Schoene (captain), Schmidt, Kranz, R. Bernstein, J. Planas Speringer, Agajan, F. Planas. **Handball:** Mosaner, F. Handge, M. Fachtmann, Soff, Schmidt, Agajan, Harriss (captain), J. Planas, Leudde-Neurath A. Bernstein, Speringer. **German Hockey:** Meisinger, E. Levedag, Bellstedt, T. Schuette, Wilsing, Dr. Engel, Edu Levedag, Burmester (captain) Dohm, Schuette. **Referee:** Mr. Clombik.

NEW SAVINGS ORGAN EXPLAINED BY CHINA

Central Reserve Bank to Raise Required Funds—Severs Chiang Ties

Domei

NANKING, March 12.—The Ministry of Finance of the National Government of China today issued a statement relative to the establishment of the new Central Saving Association which seeks stabilization of the people's livelihood.

The substance of the statement follows:

"It has been decided to establish newly the Central Savings Association with funds required to be raised by the Central Reserve Bank of China by absorbing the Central Savings Association which existed prior to the outbreak of the China Affair.

"The new Association will take over the assets and liabilities of the former organization following necessary procedures and encourage savings among the Chinese masses, issuing savings debentures.

"The accumulation of savings by the public will doubtless increase the business of the Association and simultaneously will enable it to utilize the idle capitals, thus contributing toward bringing about an economic rehabilitation for the benefit of the people's livelihood.

"Hence, stipulations relative to the establishment of the Central Savings Association and its Control Committee have been submitted to the National Government of China by the Executive Yuan."

The gist of the statement issued by the Japanese Embassy follows:

"The former Central Savings Association which was managed by the Central Trust Bureau of the Chungking regime and which has been under the supervision of the Japanese military authorities has an important bearing on the interest of the general masses as a popular monetary organ which has absorbed smaller capital from the people.

"In view of the need of the proper disposal of this organ for the stabilization of the public living, the Japanese authorities have decided to sever completely its relations with the Chungking regime and reestablish it with the financing of the Central Reserve Bank of China.

"The new Central Savings Association will take over from the former association its capital and liabilities and will liquidate the remaining assets. The liquidation of the assets has been entrusted to the Shanghai branch of the Yokohama Specie Bank.

"Meanwhile, the National Government of China has issued a special decree regarding the present disposal of the former Central Savings Association."

SERIOUS INFLATION CONFRONTS CHIANG

Blocking of Burma Route Causes Prices to Soar; Black-markets Rampant

Domei

CANTON, March 11.—Despite drastic price control, the Chungking regime is now faced with soaring inflation and skyrocketing prices. This is due to the reckless issue of paper money and severe shortages of materials resulting from the blocking of the Burma Route by Japanese Forces since the outbreak of the War of Greater East Asia, according to reliable information received here from Chungking.

Black markets and boot-legging are rampant. A second hand overcoat costs 3,000 Chungking dollars, while the prices of typewriters, glassware, shoes and other imported commodities have advanced by leaps and bounds, far exceeding official prices, it was reported.

Official prices were fixed by the Chungking regime on January 15 covering more than 650 different kinds of commodities, while 212 kinds of wages and 38 kinds of transportation charges were pegged throughout the region under the control of the Chungking regime on the basis of the prices ruling on November 30, 1942.

The following are the official prices of some of the commodities:

	Chungking Dollars
Flour	190 per sack
Pork	14 per kin
Beef	8.50 per kin
Raw cotton	3,800 per picul
Cotton yarn	4,700 per picul
Printed yarn.....	830 per reel

These prices are more than fifty times the prices ruling before the war, but none of these goods are available at the official prices. The black markets command far higher prices. Prices of commodities not pegged, are beyond the reach of anything imaginable, it was reported.

Violators of official prices are subjected either to a fine of 20,000 Chungking dollars or five years' imprisonment with hard labor. These drastic measures indicate the prevalence of a large number of price law-breakers, the report added.

JAPANESE PREPARED TO FIGHT ON ANY SEA

Indian Ocean, Southwest Pacific Included in Challenge to America, Britain

Domei

MANILA, March 10.—With the sweeping victories scored up to the present in the War of Greater East Asia, Japan is today fully prepared to fight a decisive battle with the United States and Britain on every sea front including the Indian Ocean and the Southwest Pacific, declared Jiro Saito, spokesman of the Japanese Military Administration in the Philippines, on the occasion of Japan's 38th Army Day.

Recalling the smashing victory won over Czarist Russia in the Russo-Japanese War almost 40 years ago, Mr. Saito said that the victory, coming as it did when the Asiatic nations were groaning under the tyranny of the western powers, "proved to be one of the vital factors in the stirring up of vigorous anti-British campaigns in India and Burma as well as in the starting of a strong revolutionary movement in China."

The present war, he pointed out, was brought to it's logical climax when Japan unsheathed its sword to wipe out Anglo-American influence and to release the peoples of East Asia from the yoke of Britain, the United States, and the Netherlands.

Emphasizing the fact that Japan single-handedly drove out the three enemy powers from East Asia within six months after the outbreak of the war, Mr. Saito said that the East Asiatic peoples have thus been enabled to recover the territories which had been taken from them by the enemy.

"Today," the spokesman declared, "the Japanese Forces are crushing the Chungking forces on all fronts in China, and at the same time are maintaining an offensive against the combined American-Australian forces in the Southwestern Pacific, staging new operations wherever and whenever they will."

With the Bengal Bay also brought under Japan's control since the fall of Burma, Malai, Singapore and the Andaman Islands, the Japanese Forces are absolutely ready to engage the Anglo-American forces on the Indian Ocean, the Southwestern Pacific or any other sea front they choose, Mr. Saito concluded.

FARMING VITAL IN WAR

By J. J.

British capitalism, in the course of its development, laid waste the fields of Britain itself and then of Ireland. How tragic was the process through which this was done. Perhaps it is one of the greatest tragedies to be seen in modern European history. Not satisfied with this, British capitalism turned its spearhead to the east of Suez in search of new victims. As a result, the Indian populace lost the glory of their culture which had flourished for 5,000 years. So did the Chinese.

In ruling the Asiatic races, Great Britain set them against one another. This sly and brutal style of ruling forms one of the important features of her world placing all races in their respective position, as is being advocated by the Japan, Great Britain tapped at all conceivable resources to prevent their rightful development.

Forgetting that agriculture forms the basis for all economic activities, the Americans also gave up farming. They are under the hallucination that commerce is the original form of economy. We can see this tendency most vividly in the book, "Gone With the Wind," which is being widely read by the Americans themselves. Through this book we learn how tragically the Americans lost their agricultural spirit and how mercilessly modern commerce and industry came to wield power. In the early days, the Americans had to cultivate land for foodstuffs. They employed slaves to do the work.

On the contrary, however, the modern United States, whose economic activities are concentrated on commerce and industry, has begun to treat the Negroes more cruelly than ever. In this sense the modern Anglo-Americans are no better than beasts.

A survey of America's world-view, which underlies the American policies, shows many brutal elements included therein. For instance, America's Pacific policy is based on Mahanism. According to A. T. Mahan's theory, everything may be sacrificed to help an individual grow, so his is the most animal-like world-view.

The Americans are proud that they are most blessed with natural resources throughout the world. They brag of leading the most abundant life even amidst world-wide upheaval. Who can, however, assert that the Americans will never run short of foodstuffs? In no time the unrest of foodstuffs will present itself in the United States. Nay, it has begun to be felt already.

The United States has its foodstuff yielding area in the hinterland with Nebraska as the center. At present no more than several railways and automobile roads run between this agricultural center and the commercial and industrial zones along the coastal lines. Trucks are the major means of conveyance on these routes.

In a desperate trade route destruction warfare, the Axis submarines are scoring an increasing toll of American shipping. The United States has abundant petroleum resources, which, however, are concentrated on the Pacific coast. From the Pacific coast, petroleum must be carried up north to the Atlantic coast by way of the Panama Canal and the Gulf of Mexico. On this short route American ships fall victims of the Axis undersea craft, resulting in the loss of 50 per cent of its petroleum.

Oil shortage has already begun to be felt in the United States. The government has to allot large quantities of oil to the various cities, to which oil is most essential in daily life. Such being the situation, an unavoidable decrease has come about in the amount of gasoline needed to drive trucks for the transportation of agricultural products. As a result, the truck service has been paralyzed to a great extent.

Any power, so long as it employs agriculture as the original form of production, can maintain its true strength. The Japanese Empire, called the Land of Fresh Rice-ears, has been an agricultural country from of old. Agriculturalism underlies Japan's world-view. Our ancestors elevated the agricultural spirit up to the national spirit. Thanks to agriculturalism, Japan does not, and will not, feel any apprehension as to foodstuffs in carrying on a protracted war.

The United States and Great Britain became increasingly undisguised in bringing pressure to bear on the Japanese Empire for months preceding the outbreak of the War of Greater East Asia. As a result, the Japanese became awakened to the danger of indulging in materialism and liberalism, which have been poisoning the Anglo-American minds. But the agricultural spirit has remained sound in Japan. Fortunately, moreover, our economy has not been completely spoiled by materialism. Relentlessly getting rid of Anglo-American ideology Japan is rapidly building up a New Order, politically and economically.

Wusih to Donate Planes

C.P.S.

WUSIH, March 11.—The Wusih Women's Association has launched a campaign for donations for the purchase of airplanes, which will be offered to the authorities for services to help win the War of Greater East Asia.

BANJERMASIN SEES FUTURE WITH HOPE

Telegraph Service Links Borneo City With Japan—Resources Developed

Domei

BANJERMASIN, March 10.—The opening of public telegraph service between Banjermasin and Japan today marks another milestone in the remarkable progress made by this city since the Japanese troops entered here one year and a month ago.

The rainy season is about to end in this city of South Borneo and the hot spells is about to begin, but the work of construction advances in spite of weather changes with close cooperation between local resident and the Japanese administrators.

At the same time, the work for the development of the rich mineral and other resources has started in earnest, so that the doors to the treasure vault of resources are expected to be flung wide open soon.

Banjermasin is a famous inland city. When the waters rise the famous highland, the Bluff, becomes alive with numerous entertainment activities of local residents.

The Dutch influence has been completely erased from this city since the Imperial Troops entered here, and more than 100 streets in the city now have Japanese names.

The only Dutch trace left in the city is seen in the Dutch prisoners doing odd jobs to help in the work of construction.

The city's residents today are looking forward with great anticipation to two future developments; the first is the construction of a canal in the coming dry spell and the next is the institution of the reformed educational system in April.

The project for the construction of the canal, started by the Dutch previous to the war and then taken over by the Imperial Troops in January, will be completed soon to become a great boom to the city residents who had suffered so much in the past as a result of the high waters and floods.

The reformed educational system, eradicating all the unfair points of the Dutch system will enable the Indonesians to study without the paying of curricular fees, while free books will be used.

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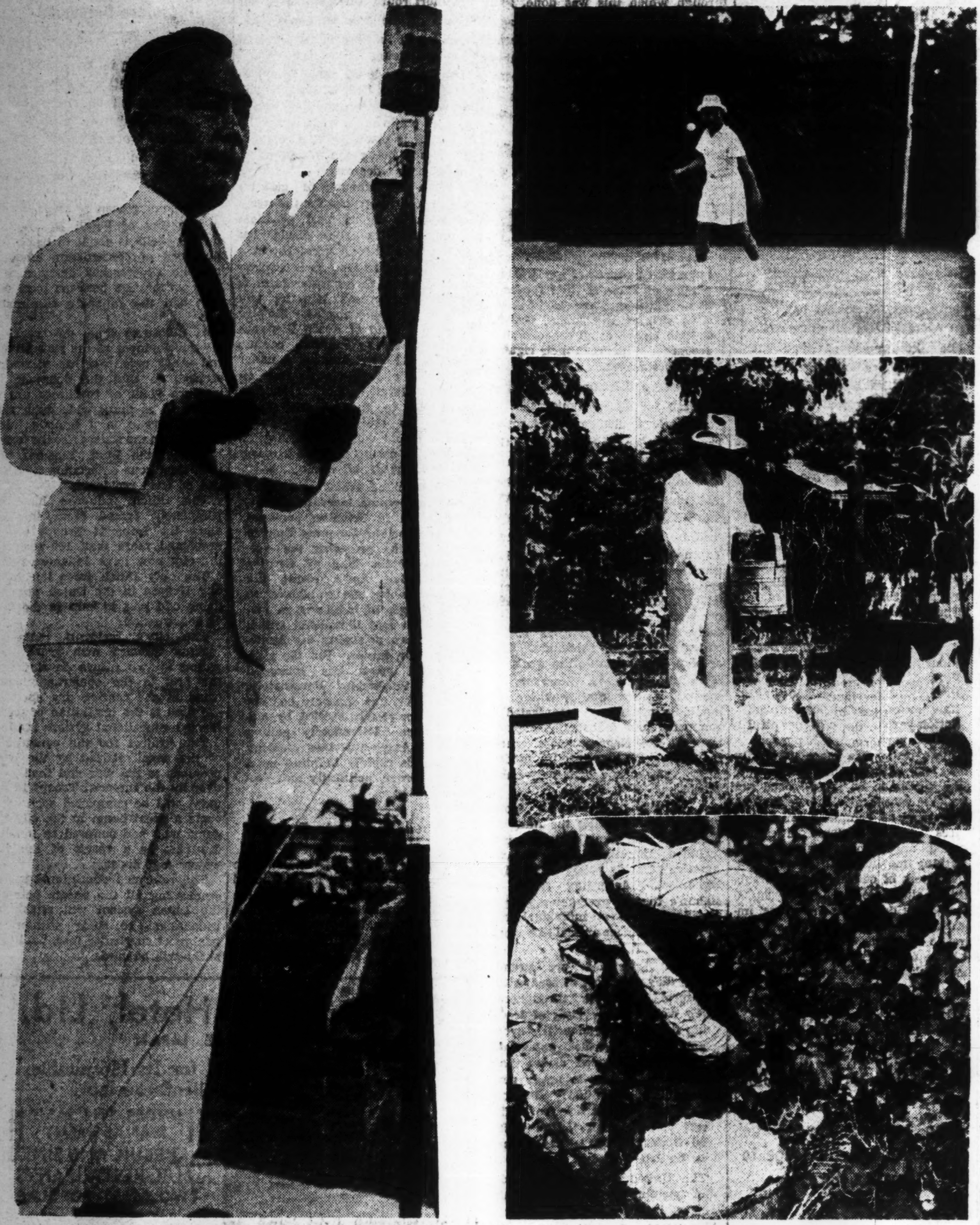
JORGE VARGAS, LEADER OF VISION AND COURAGE

Much Is Expected of This Progressive Statesman of the New Philippines Who Is Instilling Race Consciousness and Patriotism Into Minds of His People



Energetic Jorge Vargas, Chief Civil Administrator of the Philippines, is shown above addressing his countrymen, at right, top, playing tennis; and center, feeding his chickens. The right bottom picture shows Filipino women picking cotton which is being grown in increasing quantities in the islands.

The Philippines as the base of American aggression against East Asia crumbled before the might of the Imperial Forces and the re-born Philippines, as an important unit in the Greater East Asia Co-Prosperity Sphere, is marching steadily forward toward powerful construction under the leadership of Chief Civil Administrator Jorge B. Vargas.

Prime Minister General Hideki Tojo declared before the recent session of the Imperial Diet that if the Filipino people offered furthered positive cooperation with Japan, this country would accord the Filipino the honor of independence at an early date. In other words, the independence of the Philippines is to be realized when its people, in appreciation of Japan's true intentions, give proof of full collaboration with her and exterminate the American remnants and soldier-banditry. Bright, thus, is the future of the Philippines.

Manila fell only 24 days after the opening of the War of Greater East Asia. On January 23, 1942, the Central Civil Administration headed by Jorge B. Vargas came into being. The enemy, realizing the impossibility of holding Manila against the onrush of the Imperial Forces, set fire to important equipment in the city and unleashed propaganda calling Manila an undefended city, Manila which had been perfectly armed, and attributing the destruction to the Japanese.

Becomes First New Mayor

After General Douglas C. MacArthur, then commander-in-chief of the U.S. forces in East Asia, government officials and the wealthy had fled, courageously did Mr. Vargas remain in the city in embers, becoming the first Mayor of Manila under Japanese occupation to restore peace and order.

This resolute action in the face of the preponderence of pro-American elements goes to prove that Mr. Vargas had grasped the real significance of the sacred war and understood the Philippines' position as one wing of the Greater East Asia Co-Prosperity Sphere. It was an outburst of his long-cherished pro-Japanese sentiment.

Born on August 24, 1890, the leader of the Philippines is 53 years of age. Graduating from the Philippines University in 1914, he was admitted to the bar in the following year. After filling important posts in the Home and Agriculture and Commerce Departments, he was appointed Chief Secretary when Manuel L. Quezon was elected first President in 1935. His ability won wide recognition.

In republics like the United States, it is customary for the Vice-President to attend to the affairs of the State during the President's absence. In the Philippines, however, it was not Vice-President Osmena, but Chief Secretary Vargas who acted for the President during his absence. The Philippine press referred to Mr. Vargas as the "Junior President."

Since his appointment as Secretary of the Lower House, Mr. Vargas' rare ability won him the implicit confidence of Quezon.

Twice, in 1918 and 1922, Mr. Vargas accompanied Quezon to the United States as a member of the Independence Committee and did much in the cause of the independence of the Philippines.

The Chief Civil Administrator of the Philippines is a sportsman, being an expert tennis player. He was Vice-President of the Philippine Physical Culture Society in which capacity he was highly instrumental in the promotion of physical training in his country. He visited Japan in 1930 at the time of the Far Eastern Olympics as head of the Filipino delegation. That was not his first visit: he had been here as early as 1919. He revisited this country in 1934. He has many influential friends in Japan.

At the time of the Far Eastern Olympics held in Manila in 1934, there was a heated controversy between Japan and China over the question of participation by the new-born State of Manchoukuo. Mr. Vargas sided with Japan all through. His pro-Japanese attitude incurred the displeasure of the American authorities and, in recent years, even of ex-President Quezon.

Having observed ever-ascendant Japan during his three visits, he knew that, in view of the geographical and economic position of the Philippines, cooperation with Japan was the royal road to the security of his country.

Needed Japan's Cooperation

The Filipino populace in general, deceived by American propaganda and America's policy of cajolery, were pronouncedly subservient to the United States. Some, lured by America's material civilization, preferred American rule to independence. Blind to the outside world, they thought theirs was the most civilized country in the Orient.

The awakened people like Mr. Vargas with their strong race consciousness were convinced that their goal of "the Orient for the Orientals," purged of all pernicious Anglo-Saxon influences and of a new world order could not be attained without Japan's cooperation.

"Already, in the days of President Quezon, we were convinced that we must have the cooperation of the countries in the Orient, especially Japan, when we gained independence. We were making preparations for that," he declared to the press on the occasion of the inauguration of the Civil Administration.

The complete reduction of the archipelago by the Imperial Forces left a deep impression on the Filipino people. Mr. Vargas' zeal to instil race consciousness and patriotism into his countrymen was clearly discernible in the congratulatory message he delivered at the meeting in felicitation of this gigantic military achievement of the Imperial Forces. He said:

"Duped by the cajolery of the Americans we have wandered along an abnormal path for 40 long years. An end has come to this. The time has come when we must turn our eyes to the Orient.

"The War of Greater East Asia has taught us that it is not color or looks but fortitude and vigorous spiritual power that make a people great. The brilliant victory won by the Japanese Forces has cast a ray of hope on us. But unless this victory is held permanently, gone will be our opportunity to establish a new life. To that end, we must eradicate all evils that have weakened our racial character and rebuild our land in cooperation with Japan, come what may.

"We are promised a definite place in the future in the Greater East Asia Co-Prosperity Sphere. I know the Filipinos well enough to believe that they, stimulated by the success of the great Japanese nation, will rise to get back peace and perfect the construction of a new and great Philippines worthy of being a powerful wing in the Greater East Asia Co-Prosperity Sphere."

A new history is being unfolded before the Filipino people. They are determined to surmount all difficulties ahead, right their life which was made askew by alien rule and cooperate in the prosecution of the War of Greater East Asia and the creation of the Greater East Asia Co-Prosperity Sphere. Thus they are able to look forward with great hope to the day when they can have full independence.

To that end, powerful leadership is required. Mr. Vargas is the man for the task. Much is expected of his strong race consciousness as an Oriental and his progressive political power.

Restoration of France Ensured by Axis Aid

(Continued from Page 6)

ment will not be in the least affected by it so far as the execution of its national and diplomatic policies are concerned. It its undeniable that the restoration of Laval diplomacy has not only strengthened the position of the Vichy Government, but also has opened a new channel of inter-State adjustment, breaking the chain of Anglo-American diplomatic cordon sanitaire.

Premier Laval has come to head the administration under the Chief of State at a moment when France is at the threshold of a great transition. The "democratic" conceptions in the country are fast becoming things of the past and national solidarity as outlined by Marshal Petain is rapidly coming to the surface. Whichever way the Anglo-American nations may maneuver, they will find it well-nigh impossible to reenact their previous roles in France. The Darlan assassination episode and the present peculiar position in French North Africa have all the more hardened the determination of Vichy to speed up the political, economic and military reorganization of the country. This alone is sufficient indication that new France is marching along the road to recovery. No one can stop its forward stride. It is destined to retake its proper place in the polity of powerful nations by its own efforts and national regeneration.

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The Vendetta of Ako

EIJI YOSHIKAWA

Translated by Tsuneo Tomonaga
From Eiji Yoshikawa's 'Chushingura'

Chapter 24 The Question Which

"Good! Well done!" Takenojo clapped his hands, and praised both singer and accompanist.

But before Oishi could acknowledge the praise, the townsman, who had leapt out of the boat and followed Oishi all the while, taking advantage of the dusk and the shelter of the trees by the wayside, suddenly sprang out of the shadows, a dirk gleaming in his hand, and cannoned into Oishi.

"Confound you! .... Oishi swore and though he staggered, he had the other's wrist gripped in a vice.

"Who the devil are you?"

Without a word, the man swung off Oishi's restraining hand. The servant with the light had thrown the lantern down and was already disappearing into the distance as fast as his heels could carry him. Otsuya and Takenojo were face downward on the ground, moaning in terror.

Takebayashi, Onodera and Ushioda came rushing to the spot and surrounded the lone attacker from three sides.

At this unexpected turn of events, the man seemed to be taken aback. He threw his dirk into Koemon's face, and wheeling round, darted off with amazing speed into the shrubbery of a nearby mansion.

"Otsuya .... O-Otsuya . . ." Oishi was leaning weakly against a tree by the wayside, and muttering like a man in a daze. It seemed as though he was unaware that but a moment ago, his life had been on the brink of death.

"Where are you, Otsuya?... What was that thing that came just now? Was it a night bird? . . ."

But Otsuya and Takenojo were still lying face downwards on the ground. The man in the sedge-hat was gone, but in front of Oishi were three enraged young men, their hands gripping their sword-hilts, their eyes glaring fiercely at him.

"Master Oishi!"

"Master Kuranosuke!"

Oishi turned his half-closed eyes vaguely in their direction.

"Ho . . ." he said, and laughed. "I wondered who you were. Matanojo, Koemon, and Tadashichi. When did you fellows come here?"

"So you can recognize us?"

"Oh, Sorrow, what dost thou say? My eyes can still see."

"The fellow who tried to kill you with a dirk just now is a spy of Chisaka Hyobu, a redoubtable villain calling himself Eighteen Feet. Don't you realize that even if you yourself have become slack, your body is still important? Your body is not your own, until a certain event is past. Do you understand this?"

"What's this? Matanojo, are you reprimanding me?"

"The spirit of our late lord must have guided us to that 30-koku boat where we saw you. Did you attend the service for the anniversary of the death of our late lord?"

"I did." Kuranosuke bowed his head. "It was a grand affair at the Kegakuji Temple. The townsmen, the beach folk, even the farmers, all came to the service. They all remembered. I was forced to weep at such devotion . . ."

"What do you mean by gallivanting about on pleasure trips on the way back from the service, and before you have even returned to Yamashina? It's too disgusting!" Matanojo spat.

"Anyway," added Tadashichi, "come back with us to Yamashina before you do anything else. Several important affairs await your hearing."

"Come, come, young men. Don't say such unpleasant things. There is Takenojo there, to whom I have given my patronage, and the beautiful Otsuya from Sonezaki has condescended to come with me. How can I go back so suddenly? This evening, I must go to Masuya, no matter what happens."

"Is Masuya so important?"

"Even in pleasure there is duty and profit. When I am called the Big Lord of Yamashina. . ."

"Chet! Which is more important to Master Oishi· the seeking of pleasure or his vow to us?" Tadashichi almost chewed out the words.

"Here." Oishi turned his big eyes on Tadashichi. "What are you saying? The pact was made in the mist of evening. When the mist's gone, so's the pact. When I started out on the return journey I sent an express messenger to you fellows, saying I would surely see you, and that I was bringing presents from Ako to you men. It was unwise of me to send that messenger, judging from later events. All the presents were taken from me at Sonezaki. At least my face is left, and that I will not fail to show."

"So. Well have you spoken. Well have you uttered such fool talk to us . . ."

"He, he. The taste for pleasure lies deep within everyone of us. It is interesting occasionally to split one's heart to the bottom to show this deep seated trait. Come, don't say such severe things, but come with me to Shumoku-machi."

"Accept our refusal. We three have only this day turned our steps homeward from the grave of our late friend, Sanpei Kayano. We cannot think of his death without tears. Poor Sanpei, how he must be grieving, now that his death has turned out to be in vain"

"Sanpei? Sanpei dead? How—what do you mean?"

"It is not proper that we should tell what happened to one who stinks of sake, or that we should talk of him thus by the roadside. But to explain his death in a word, he committed seppuku when he found himself between the grindstones of duty to the pact and to his father."

". . . . . . ."

Kuranosuke leant against the tree, his eyes turned heavenward, and remained silent like that for several moments. An ordinary observer would have taken him for a star-gazer.

"Is that the dew
On the sleeve of the
seeker
Of pleasure at late
hours,
Or the tears that fall
From a heart in mortal
pain?"

Oishi hummed the words as though to himself, and turning to the three youngsters, said.

"Even a young man has but a short life. Matanojo, Tadashichi, Koemon, it is better that you should taste a little of the life that you know not yet. Come, this Kuranosuke will be your guide for the evening. Let us decide matters when they are at the bottom of the cup."

He stepped forth in the lead, waving his fan invitingly at Takenojo and Otsuya, who had by now risen to their feet.

(To Be Continued)

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GOV'T POLICY GIVEN FOR UPPED OUTPUT

Shiina Explains Measures Being Considered for Speedy Expansion of Production

The policy being followed by the Government for realizing the speedy expansion of Japan's productive power was explained by Etsusaburo Shiina, Vice-Minister of Commerce and Industry at a press interview in Osaka Thursday soon after his arrival, in which he emphasized the heavy responsibility of the different industrial control associations in working in collaboration with the Government for increasing the productive capacity of the country, says the Nippon Sangyo.

The opinion expressed by Mr. Shiina at the press interview was in brief as follows:

"The authorities are conducting a study of the advisability of converting ordinary civilian business organizations into national policy concerns and of reorganizing national policy concerns into different industrial corporations. However, we have more or less reached the conclusion that for the promotion of the industrial efficiency of the country, it is necessary to maintain the status quo, giving a broad field of activities to various industrial control associations.

Dissatisfaction Unwarranted

"Some people are expressing their dissatisfaction with the activities of the industrial control associations. But, in my opinion, they must wait and see what can be achieved by the control associations, for, they have just been established, and are now preparing themselves for activities. It is unfair to ignore the services they have rendered for the promotion of the Government's activities in eliminating various difficulties lying in the country's path to expansion of its productive power.

"The industrial control associations are actually participating in the materials mobilization plan of the Government to a large or small extent in proportion to their capacities. The Government is now conducting a study concerning the desired transfer of part of the Government's administrative power to the control associations specified in the second stage. Nothing has been decided upon as yet in this connection. In order to play an active part in the materials mobilization plan of the Government, each industrial control association is required to promote its efficiency.

Should Inform Difficulties

"For the speedy expansion of Japan's productive power, it is most desirable that different industrial control associations should inform the Government of where their difficulties lie. The proprietors of various key industrial organizations and the different control associations, in order to realize speedy expansion of the productive power of the country are organizing the productive Power Expansion Cooperative Council.

"In cases, where the required increase of production is not possible of realization by the efforts of the control associations and civilian parties alone, the Government authorities concerned will take necessary measures in order to enable them to attain their purpose in view. If necessary, the Prime Minister will use his authority by virtue of the Wartime Administration Exceptional Cases Law. But it is always desirable that the parties concerned take measures to achieve the purpose in view before giving rise to this necessity.

"Different ministries are now studying various questions concerning the inter-transfer of authority in keeping with the possible application of the Wartime Administration Exceptional Cases Law.

To Promulgate Law

"The Commerce, Industry and Economic Conference Law is to be promulgated in June next for immediate enforcement. The actual reorganization of the Chambers of Commerce and Industry into the new economic organs named above, however, will not be realized until October. The Commerce, Industry and Economic Conferences in different prefectures are required to work in close cooperation with the prefectural governments concerned for the development of the local industries.

"The Commerce and Industry Ministry has its own plan relative to the system of the central organ of the new organizations. But, the authorities have no intention of imposing their own plan on the civilian parties concerned. The authorities are waiting for the civilian parties to give their own plans in this respect. Further retrenchment or amalgamation of different economic and commercial organizations are now under consideration by the Government authorities.

South Fiber Industries

"The Commerce and Industry Ministry has no plan at present for the adjustment of the fiber and spinning industries in the southern regions. It may become necessary that a definite plan should be established in the future in keeping with the development of cotton cultivation in those regions. The authorities are taking all possible measures to secure the supply of clothing materials throughout the Greater East Asia Co-Prosperity Sphere. In this connection, the people at large are required to work in close cooperation with the authorities in view of the extraordinary situation under which Japan stands at present.

"The adjustment of the retail business throughout Japan Proper as included in the first plan of the authorities, will be completed by this month. The measures to be taken after March in this connection are to be decided upon after the establishment of the materials mobilization plan for 1943-44 which will clarify Japan's situation relative to the supply of labor, materials, and raw materials available during the new fiscal year."

A Wartime Village Scene

Womenfolk of rural villages who have sent their husbands and sons to the war are carrying on production warfare behind the lines. Seen are women, young and old, of a remote village in Fukui Prefecture carrying newly-grown beets to market, vying with the men in doing their share.

WAR COSTS RISING IN ALL COUNTRIES

Survey Shows Every Conflict in Past Has Cost Ten Times More Than Previous One

Reflecting the growing intensity of World War II, all the belligerents have been made to increase their wartime budgets at a phenomenal rate, and this trend is likely to grow all the more because wars today are wars of highly-developed machinery fought on areas by far more far flung than during World War I. This is commented upon in an article contributed by Ryushichi Nozaki under the heading 'Modern Wars and War Expenditures' to the latest number of the economic journal Diamond.

The gist of the article follows:

"It is seen that, in general, the sinews of war required by belligerents jump up ten-fold war after war. For the Sino-Japanese War, for instance, which was fought nearly 50 years ago, Japan spent approximately ¥200,000,000. For the Russo-Japanese War which was fought about 40 years ago, Japan spent approximately ¥2,000,000,000. Thus it is found that the latter war cost our country ten times as much as the former did.

"Surveying the world annals of wars, there were 20 large-scale wars fought during the 125 years ending in 1914, and the expenditures required by the belligerents concerned for these wars totalled approximately $25,000,000,000. But even this sum dwindles into insignificance as compared with the total expenditures of the belligerents concerned for the last world war amounting to approximately $200,000,000,000 or approximately eight times as much as the total expenditures for the 20 large wars fought during the 125 years preceding.

Spent Small Sum

"For the last World War Japan spent a comparatively small sum, for its military operations were mostly confined to the Shantung sector. In the War of Greater East Asia which Japan is now fighting over the extensive areas in this part of the globe, the nation is fully prepared to meet any expenditure.

"As for the United States and Britain, a considerable increase is seen in their expenditures for the current war as compared with the last World War. For the last World War, the United States spent approximately $22,500,000,000, Britain $44,000,000,000, France $25,800,000,000, Russia $22,500,000,000, Italy $12,500,000,000, Germany $40,100,000,000 and Austria-Hungary $20,600,000,000, the total expenditures of these belligerents for the last World War swelling to over $200,000,000,000.

Britain's Expenditures

"There is no means of ascertaining the exact sums being spent by the United States and Britain in connection with the current war, but the British Government published late in autumn last year that the country's expenditures of war averaged £100,000,000 a week, which means an annual defrayal of £5,400,000,000. As for the United States, it has a budget for defrayal during the current fiscal year amounting to $76,000,000,000, and the American authorities have decided to increase the appropriations for the new fiscal year, beginning next July, to the tremendous figure of $109,000,000,000.

"There is every reason to believe that Britain spent during the past four years nearly three times as much as she did for the last World War, and the United States as much as seven to eight times. In other words, it is no exaggeration to say that the annual budget of the United States would be enough to cover the total expenditures of all the belligerents for the last World War.

"The expenditures of Germany and Soviet-Russia at present are unascertainable. In view of the extensive areas over which they are conducting operations, it is suspected that their expenditure reach huge figures, which must needs show a several-fold increase over their respective expenditures for the last World War. Probably similar conditions are experienced in Italy.

Cause of Rises

"There are numerous factors responsible for the sharp rises of the present-day expenditures for wars involving many a belligerent country. In the first place the decline in the value of currency may be pointed out. It is to be recalled here that the world panic brought about by the removal of the gold standard sometime in 1930 prompted many countries to devaluate their currencies one after another, and that there developed the corresponding rise of price levels.

"But there are other major factors that irresistibly and substantially stimulate the rise in the war expenditures. They may be classified into several items, including the need for turning out highly-mechanized arms and ammunition, the expansion of war theaters to a considerable extent and the large increase in the number of vessels sinking by reason of the highly-effective destructive forces that have been invented in succession. Viewed in this light, it is quite possible that the United States and Britain may be compelled to work out still bigger budgets to prosecute the war in a desperate attempt to make up for the successive reverses they have so far sustained in the current war."

Closing Quotations Of Key Stocks And Bonds

Yesterday's final prices of key stocks and bonds on the Tokyo Stock Exchange follow, in yen:

		Comp. With Prev. day
Tokyo Exchange, new (short-term)	84.80	— 0.10
N.Y.K., new (short-term)	78.20	— 0.60
Kanebo Spinning, new (short-term)	74.60	— 0.40
Gov't Bond, Kogo 5%	106.20	Same

PROFIT-TAKE SLOWS STOCK PRICE DRIFT

Considerable Liquidation Movement in Progress on Market

The Tokyo Stock Exchange was comparatively sluggish yesterday. With a fair amount of profit-taking liquidations in progress on the spot market, there developed a slackening trend of prices in some of the stocks handled in the three sections.

In the long-term section, Mitsubishi Mining slipped ¥2.10, Hakodate Shipbuilding and Mitsubishi Electric Machinery relapsed ¥1.60 each, and Tokyo Wire Rope slipped ¥1.50, Tokyo Hemp Yarn ¥1.20, and Japan Sand Iron ¥1.10.

A similar trend was found in the short-term section and the spot market. In the short-term section, for instance, Kanebo Spinning, new, N.Y.K., new, and Manchou Heavy Industrials turned a shade easier. In the spot market, Chosen Hydro-Power and Japan Almite softened ¥2.20 and ¥1.50 respectively.

Long-Term Section

Yesterday's final prices of select issues in the long-term section were:

	—Delivery—		
	Mar.	Apr.	May
First Section			
Nisshin Spinning (50)	83.9	84.5	85.2
Teikoku Rayon (50)	—	83.1	—
Toa Hemp Ind (50)	71.2	71.8	72.2
Tokyo Hemp Yarn (50)	99.8	99.9	99.8
Kanegafuchi Ind (50)	78.5	79.0	67.7
Showa Elec Ind (50)	84.1	84.5	84.1
Japan Nitrogen (50)	—	73.5	73.7
Second Section			
N. Y. K. (50)	92.5	93.5	—
O. S. K. (50)	83.8	84.7	84.8
Toyo Steamship (50)	—	71.5	71.5
Nissan Steamship (50)	—	67.9	66.1
Mitsubishi Mining (50)	86.9	86.1	84.9
Ishihara Ind (50)	67.6	68.1	67.5
Third Section			
Furukawa Elec Ind (50)	113.0	113.5	114.0
M'bishi Elec Mach (50)	142.0	142.4	141.3
Japan Oils and Fats (50)	66.3	66.0	66.0
Sumatra Dev. new (37½)	46.5	46.7	47.7
Asahi Glass (50)	94.9	94.4	92.6
Toa Tobacco (50)	101.3	101.2	101.8
Manchou Tobacco (50)	90.3	90.7	91.0

Short-Term Section

	Open.	High	Low	Clos.
Tokyo Exch. new	84.9	4.9	4.8	84.8
N. Y. K., new	78.5	8.7	8.1	78.2
M'bishi Heavy Ind.	95.9	5.9	5.5	95.6
Kanebo Spin, new	74.9	4.9	4.5	74.6
Teikoku Rayon, new	70.8	0.8	0.5	70.5
Hitachi Iron Works	93.4	3.4	3.0	93.0
Osaka Exch. new	43.6	3.6	3.0	—
Japan Steel Tube	69.3	9.4	8.6	68.6
Japan Oil	74.2	4.2	3.8	74.3
• • •				
S. M. R.	—	74.7	4.6	74.7
N. Y. K., old	—	92.2	2.1	—
Hokkaido Coal	73.9	3.9	3.6	73.6
Kanebo Spin. old	127.9	7.9	7.6	127.6
Toyo Rayon, new	58.0	8.4	8.0	—
Kokura Iron Works	—	54.7	4.5	54.5
• • •				
Japan Beer, new	46.9	6.9	6.4	46.4
Japan Sugar, new	65.8	5.8	5.8	—
Ensuiko Sugar	—	63.2	3.1	63.2
Japan Mining	61.6	1.6	1.3	61.3
Manchou Heavy Ind.	61.6	1.6	1.2	61.2

More Silicic Ores

The Commerce and Industry Ministry has decided to take more effective measures to increase the production of silicic ores to enrich the supply of silicic acid which is indispensable for the production of copper. For years past, the Commerce and Industry Ministry has been working in collaboration with the Mining Control Association in order to secure the supply of silicic ores. In the future, the authorities will, it is expected, extend greater aids to the association in order to accelerate the development of all the silicic ore mines it is working on.

The decision made by the Commerce and Industry Ministry in this respect is expected to go a long way forward in enriching the production of copper in Japan, says the Nippon Sangyo.

REICH PEOPLE ADOPT SIMPLE LIVING MODE

Non-Urgent Articles to Be Ousted From Market in Response to Nation's Will

In response to the firm determination of the nation to score a decisive victory in the current war and to encourage a simple wartime mode of living among the people by ousting non-emergency articles from the market, the German Government has taken a positive step by forbidding the ordering of new clothes and dresses by the people for a certain length of time and by restricting the consumption of specified peacetime goods and the use of telephones, reports Domei from Berlin on March 9, according to the Nippon Sangyo.

The dispatch reveals that the German Government has issued a notification to the effect that no individual, regardless of sex, shall be allowed to order new suits of clothes or other dresses until May 15, and that no tailors or dress makers shall be allowed to accept any orders except for repairs to old clothes or dresses. Exceptions are made, however, in cases where sufferers from air raids, mourners and pregnant women are in need of new clothes or dresses and where individuals are in need of new uniforms. Also tailors and dress makers shall be called upon to single out inspectors from among them whose duties it shall be to keep a sharp lookout for possible misconduct by their fellows.

It is also stipulated in the notification that manufacturers of cameras shall be allowed to produce new ones only for use by professional photographers and that the general consumption of films, dry plates and printing papers shall be forbidden.

Simultaneously the communications authorities shall be ordered to make a round of inspection on all households to see to it that telephones are installed only at those households where they are absolutely necessary and those at others removed to places where their installation is more urgently needed, it being understood that owners of telephones whose instruments are removed by order shall be compensated for by the Government. It is learned that nine of the 51 telephone exchanges have already been closed.

TOKYO COAL BODY SET

Meeting Held to Regulate Coal Consumption, Shipment

Establishment of a Tokyo Coal Association was decided on at the meeting of coal manufacturers and traders held at the Imperial Hotel on March 11.

The association is expected to give necessary advice and instructions to all Tokyo merchants handling coal in order to economize the use of coal and coke in the prefecture and to facilitate its landing and shipment at the port.

The officials of the association have been selected from among the members of the 9 leading companies out of the 33 enterprises represented at Thursday's meeting. Leading officials of the association are as follows:

Chairman—Morio Adachi (Yamashita Mining Co.).

Vice-Chairman—Chuzo Matsumoto (Mitsubishi Mining Co.).

Vice-Chairman—Hiroshi Kurihara (Hokkaido Coal Mining.).

Managing Director—Kozo Takase (Tokyo Coal Merchants' Association).

Bill Clearings

March 12
(In ¥1,000)

	Tokyo	Osaka
Bills Cleared	272,274	125,825
Balance	42,639	18,553

DECISIVE WAR FINANCE LAUNCHED

Money Bills Mainly to Fight Inflation, Various Others for Effective Disposal, Use of Enemy Assets Passed by Current Diet Session

The keynote of the financial policy of our country had already been readjusted and established during the process of the China Affair over a period of five years prior to the outbreak of the War of Greater East Asia, and consequently there is no necessity for any amendment in its basic principle at this time. In the present session of the Diet it was assured that the Government had no intention of introducing any fundamental change in its loan and financial policies.

However, in view of the fact that an enormous amount of government funds is being distributed in consequence of the rapid expansion of the decisive war finance, it has been found necessary to exercise state powers over certain sections which, although under state control, have been left comparatively free. Coupled with this, the necessity for new measures either for the promotion of savings for absorption of purchasing power or the acquisition of better facilities for obtaining funds for productivity expansion calls for partial revisions in the basic policies.

In the present session of the Diet therefore, money bills mainly as counter-measures against inflation and various other bills for effective disposal and use of enemy assets in the constructive phases accompanying the development of the War of Greater East Asia have been presented and passed. Domei gives brief outlines of these bills and their applications in the future as clarified in the Diet, as follows:

Stocks Important

The raising of productive funds by means of shares is as important today under controlled economy as it used to be in former days. Consequently, the maintenance of proper prices of shares and the securing of smooth circulation of shares are very important. The greatest defect of the stock-market, however, was the fact that it constituted the speculative market. With a view to improvement of facilities for raising productivity expansion funds through shares, the Government has now promulgated a Japan Stock Exchange Law, under which various shortcomings in the existing stock exchange mechanism are expected to be uprooted.

The Law in question provides for the establishment of the Japan Stock Exchange through consolidation of the existing 11 stock exchanges as a public institution to assist in the prosecution of national policy. The new stock exchange will be a special juridical person capitalized at ¥200,000,000, of which an amount to the extent of ¥50,000,000 will be contributed by the Government, and its objects are:

(1) Fixing of proper prices for valuable securities.

(2) Stabilization of prices.

(3) Smoothing of circulation of valuable securities.

For the fulfilment of the above missions, under the present law the powers of the stock exchange will be enlarged and the stock-brokers must be juridical persons each with a certain fixed capital. The Government's right of supervision over stock-brokers will be far stricter than formerly, thereby to improve their quality.

New System Explained

In addition to the above, the following points have been made clear concerning the establishment of a market and other matters under the new exchange system:

(1) In times of war, speculating for margin should be carried on within as narrow a scope as possible, but as it has its own merits, the Government has no intention to prohibit forward transactions in their entirety.

(2) If local markets are limited to dealings in actual, dullness must of necessity prevail there, but when the war of Greater East Asia is brought to a successful consummation, the issue of valuable securities such as company debentures will rapidly increase in volume, which will bring about prosperity to the local markets.

(3) It is not intended to have the Stock Exchange determine quotations on national loans. The stock market is to deal principally in stocks, transactions on public loans being its secondary function.

(4) The new Stock Exchange will be open to business commencing next July.

Control Strengthened

In parallel with the readjustment of the stock exchange mechanism based on the Japan Stock Exchange Law, a new stipulation has been put into force for the strengthening of control over stocks, namely the addition of Section 5, Art. 15, to the Law for the Adjustment of Financing.

Under this new provision, the Government, in case it is deemed necessary for the stabilization of prices on shares, is empowered to order banking institutions (including individuals) to transfer part of shares in their holding to either the Wartime Finance Bank or the Japan Stock Exchange at the current price. This will enable these organizations to have recourse to powerful market operations for stabilization of prices, constituting as it does an epoch-making measure for control of prices.

The Yasuda Bank, Limited
(Yasuda Ginko, Ltd.)

HEAD OFFICE:
6, 1-chome, Ohtemachi, Kojimachi-ku, Tokyo

Capital Subscribed	¥150,000,000
Reserves	¥ 86,500,000

Chairman of the Board of Directors:
HAJIME YASUDA, Esq.
President and Director:
HISOMU SONOBE, Esq.
Managing Directors:
SEIICHI ANNEN, Esq.
TOJI URABE Esq.
HIROMITSU TAKEUCHI, Esq.
TOSHIO OTSUKA, Esq.

The Bank is now in command of the services which it has secured from many correspondents over the world, and is able to offer accommodation for all kinds of banking facilities, foreign and domestic.

Foreign Business:
Tokyo Head Office
Osaka Branch: Koraibashi, Higashi-ku.
Kobe Branch: Sakaemachi-dori,
Yokohama Branch: Honcho, Naka-ku.
Otaru Branch: Ironai-machi.
Nagoya Branch: Minami-Otsu-dori, Naka-ku.

The Bank of Taiwan, Ltd.
ESTABLISHED: 1899

President:
YAKICHI SUITSU, Esq.
Vice-President:
EIZO UEYAMA, Esq.
Directors:
HYOTARO MOTOHASHI, Esq., TOZO HIRANO, Esq.,
FUMIO NARITA Esq., TADASHI NAKAJIMA, Esq.

Head Office: TAIHOKU
Tokyo Branch: No. 2 Marunouchi 1-chome, Kojimachi-ku
MAGOJIRO DOI, Manager

BRANCHES and AGENTS
Japan: Kobe, Osaka, Yokohama, Hakodate, Keelung, Taichu, Shoka, Kagi, Tainan, Takao, Giran, Tamsui, Toen, Shinchiku, Nanto, Heito, Taito, Karenko, Makong, Gosei.
Kwantung: Dairen.
China: Shanghai, Hankow, Foochow, Amoy, Swatow, Canton, Kiangwan, Soochow, Changchow, Chinkiang, Nanking, Siakwan, Wuhu, Kiukiang, Nanchang, Wuchang, Tai-hsien, Luchow, Anking, Chaochow.
Hainan Island: Hoihow, Yulin, Kachek, Hokurei.
South Sea Islands: Truk.
Philippine Islands: Manila, Davao, Cebu, Baguio, Bacolod, Legaspi.
Malai: Shonan.
Djawa: Soerabaya, Semarang, Djakarta.
Lesser Sunda: Singaradja.
Borneo: Banjermasin, Balik-Papan, Pontianak, Tarakang, Samarinda.
Celebes: Macassar, Menado.
Ceram: Amboina.
New Britain Island: Raboul.
New Guinea: Manokware, Wewak, Madang, Alexis Haven.
Others: Hongkong, Bombay, London, New York.

Correspondents in the principal cities and towns throughout the world.

The Dai-Ichi Ginko, Ltd.
(Formerly The First National Bank)
(ESTABLISHED 1873)

CAPITAL (Paid up)	¥57,500,000
RESERVE	¥91,500,000

A Complete Banking Service

Head Office: Tokyo
BRANCHES:
Yokohama, Nagoya, Kobe, Osaka, Kyoto and other principal cities at home: Seoul, Fusan in Korea; Dairen in Manchuria.
Correspondents:—All important places at home and abroad.

The Yokohama Specie Bank, Ltd.
(YOKOHAMA SHOKIN GINKO)

126th HALF-YEARLY ORDINARY GENERAL MEETING
10th March, 1943

Capital Subscribed & Fully Paid	¥100,000,000
Reserve Fund	¥148,400,000

President
TOSHIKATA OKUBO
Vice-Presidents
Hideshige Kashiwagi
Shoji Arakawa
Directors
Toshikata Okubo
Baron Koyata Iwasaki
Kenji Kodama
Chotaro Arima
Jukichi Okada
Hideshige Kashiwagi
Baron Ichizaemon Morimura
Daisuke Nohara
Kazuo Nishi
Shinsaku Asada

Report to the Shareholders

Gentlemen:—

The Directors submit to you the annexed Statement of the Liabilities and Assets of the Bank, and of the Profit and Loss Account for the Half-Year, ending the 31st December, 1942.

The Profit of the Bank for the past Half-Year, after providing for all Bad and Doubtful Debts, Rebate on Bills, etc. shows Yen 23,169,364.63 inclusive of Yen 15,647,586.41 brought forward from last Account.

The Directors propose that Yen 1,250,000.00 be added to the Reserve Fund, and recommend a Dividend at the rate of Ten per cent, per annum, which will absorb Yen 5,000,000.000.

The Balance, Yen 16,780,564.63 will be carried forward to the credit of next Account.

TOSHIKATA OKUBO,
Chairman

Head Office, Yokohama,
10th March, 1943

GENERAL BALANCE,
31st December, 1942

LIABILITIES

Capital	100,000,000.00
Reserve Fund	147,150,000.00
Reserve for Doubtful Debts	2,161,572.40
Notes in Circulation	195,994.40
Deposits (Current, Fixed, etc.)	5,214,657,448.93
Bills Payable, Bills Re-discounted, Acceptances and other Sums due by the Bank	506,845,243.07
Dividends Unclaimed	16,670.00
Balance of Profit & Loss brought forward from last Account	15,647,586.41
Net Profit for the past Half-Year	7,521,778.22
Yen	5,994,196,293.43

ASSETS

Cash Account:— In Hand 488,348,713.17 At Bankers 437,678,693.17	926,022,406.34
Investments in Public Securities and Debentures	1,475,762,129.72
Bills Discounted, Loans, Advances, etc.	3,326,312,184.[illegible]
Bills Receivable and other Sums due to the Bank	537,057,827.01
Bullion and Foreign Money	10,096,125.58
Bank's Premises, Properties, Furniture, etc.	18,945,620.57
Yen	5,994,196,293.43

Profit and Loss Account

Dr.	
To Reserve Fund	1,250,000.00
To Dividend— Yen 5.00 per Share for 1,000,000 Shares	5,000,000.00
Bonuses to directors and Auditors	138,800.00
To Balance carried forward to next Account	16,780,564.63
Yen	23,169,364.63
Cr.	
By Balance brought forward 30th June 1942	15,647,586.41
By Net Profit for the Half-Year ending 31st Dec., 1942 (After making Provision for Bad and Doubtful Debts, Rebate on Bills, etc.)	7,521,778.22
Yen	23,169,364.63

We have examined the above Accounts in detail, comparing them with the Books and Vouchers of the Bank and the Returns from the Branches, and have found them correct. We have further verified the Securities, etc., of the Bank, and also those held on account of Loans, Advances, etc., and have found them all to be in accordance with the Books and Accounts of the Bank.

Auditors
MARQUIS NAKAHIRO IKEDA
AIKICHI ITO
MIYAMATSU MITSUYA
KIKUZO TAKEOKA

Office: 1, 1-chome, Uchisaiwai-cho, Kojimachi-ku, Tokyo
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KOBE, 65, Naniwa-machi, Kobe-ku. Tel. Sannomiya 3970-71.

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TOKYO, SATURDAY, MARCH 13, 1943

Another Criminal Act

Word has just been received that another Japanese hospital ship has been unlawfully attacked by the enemy. This time it was the Manila Maru, which encountered an enemy submarine in the South Pacific at a point southeast of Palau on March 4. The fact that the hospital ship was able, through the skillful maneuvering of its captain, to escape with relatively minor damage and to reach port does not excuse the heinous nature of the enemy's crime.

The attack was made at 11:20 in the morning, in broad daylight. The Manila Maru was distinctly painted in the colors and with the insignias prescribed for hospital ships by international agreement. As in the cases of all Japanese hospital ships, the name and description of this ship had been duly reported to the enemy through proper channels. There could not have been any mistaking of identity. Notwithstanding these facts, the enemy submarine fired several torpedoes at it, and it was only through the skillful seamanship of its crew that hundreds of helpless wounded and sick patients were saved from a horrible death.

There can be no question but that the attack was intentional. There can be no question but that the enemy deliberately chose to violate international law. There can be no question but that the most basic principles of humanity and decency mean nothing to a barbarous foe who would deliberately attack a hospital ship engaged in a mission of mercy, who would deliberately send to a watery grave the wounded and sick who are no longer combatants and who are utterly helpless to defend or save themselves.

The first time the enemy indulged in such an attack, it seemed incredible. But since then 13 attacks have been made by our cowardly enemy upon Japanese hospital ships. With repetition heaped upon repetition, the surprise has worn off but the horror and indignation has increased.

This is the enemy who constantly claims that he is fighting for justice and humanity. This is the enemy who pretends to be the guardian of civilization. This is the enemy who is always invoking the name of God to sanctify his pretended ideals. But for committing atrocities of the most inhuman kind, he has shown himself to be without peer.

Some day, for his hypocrisy no less than for his actual crimes, our enemy will have to give an accounting to both Heaven and mankind.

Roosevelt the Megalomaniac

A few days ago Senator Joseph Guffey of Pennsylvania declared that "there is no American tradition that a good President cannot serve four terms in the White House." Such a statement made before the Senate by such a faithful New Deal supporter can only mean that it was inspired by Franklin D. Roosevelt himself. And thus is revealed the way in which dictatorship in America works, the dictatorship of one of the most clever but at the same time most ruthless megalomaniacs in the history of the world. For while vociferously proclaiming himself as the champion of democracy, Roosevelt is the world's most powerful dictator.

There is nothing crude or primitive in his methods. He is subtle and dissimulating and he succeeds in fooling many of his people into thinking that he is their champion. But all the while he draws more and more power to himself.

The subtle manner in which he has already started to prepare the American public for his assumption of the fourth term in the White House indicates the technique which he uses to entrench his dictatorship. Clever indeed is his care to bring about a fourth term movement without any commitment coming from his own lips. Here he is repeating the political maneuvers which led to his shattering of the American tradition against a third term four years ago. It is common knowledge that the most persistent questioning by White House correspondents failed to elicit a "yes" or "no" commitment from President Roosevelt in the months preceding the Democratic National Convention at Chicago in July, 1940, where he was nominated for the presidency on the first ballot.

The impression President Roosevelt attempted to create on the public was that he was acquiescing in the choice of his party to run for the then unprecedented third term because of his sense of duty to respond to the nation's call in the emergency confronting it. And he was elected by a gullible American electorate that failed to realize that Roosevelt's policy, since the beginning of his second term, had consistently been to create unrest among the people for the explicit purpose of having himself placed in the White House for a third term.

The mistaken choice by the American voters has plunged them into the present war, a war brought about by Roosevelt's meddling foreign policy. And now he is capitalizing on this very war to win a fourth term. There seems no end to the megalomaniacal ambition of the American President.

The pity of it is that Roosevelt will in all probability win the Democratic nomination in July next year and on top of it be elected. For there is nobody within the opposing Republican party with sufficient strength to defeat him. Wendell Willkie, unsuccessful candidate in the 1940 election, recently made known his intention to run again. Authoritative quarters close to him said he would enter his name in key primary elections with the view to capturing sufficient delegates to control the party's national convention in June, 1944 and thereby obtaining the nomination. But Willkie hardly has a chance. His volte-face actions after the presidential election of 1940 in aligning himself with Roosevelt's activities—such as becoming the President's personal envoy to Europe and to Chungking—certainly cannot be considered as assets. He has undoubtedly discredited himself in the eyes of the general mass of Republicans.

Governor Thomas Dewey seems to be the strongest possible Republican presidential candidate. But the astute 41-year old Governor apparently realizes that he would be making a futile race against Roosevelt, because he has already publicly announced that he will not be a candidate for any other office during his term at Albany, New York, which expires in 1946.

There is strong and bitter opposition in the Republican party ranks against a fourth term by Roosevelt as was indicated by Representative John Taber of New York the other day in Congress when he openly accused the Office of War Information of having published a pamphlet which he described as "purely propaganda designed entirely to promote a fourth term and a dictatorship." Alfred M. Landon, the unsuccessful Republican presidential candidate in 1936, has said that a fourth term would be a tragedy to the United States. But the Republicans will be powerless to unseat Roosevelt.

Meanwhile Roosevelt is slowly but steadily strengthening his political machine to make his nomination for the presidency a foregone conclusion. Among his latest movements are the appointments of Democratic congressmen defeated in the last elections to vital posts in the various administrative bureaus. Only a few days ago he appointed James M. Balnes, former congressman from Illinois, as his new administrative assistant, and John M. Houston, former congressman from Kansas, to a vital post in the National Labor Relations Board. These moves are designed to ensure their support in the Democratic National Convention. It will be interesting to see the future moves of the present occupant of the White House who is determined to make it his permanent abode.

A Year Ago Today

March 13, 1942

Sixteen enemy planes in hiding at Port Moresby in New Guinea were destroyed and important military establishments there blown up by Japanese Naval Air Units, states a communique issued today by the Imperial Headquarters.

* * *

During their operations of clearing the Java Sea of the remnants of the enemy, Japanese destroyers sank one British mine-sweeper on March 5, according to the Imperial Headquarters' communique issued today.

* * *

The authorities on Ceylon Island issued orders to the effect that women and children and citizens who are not engaged in important munitions industries should evacuate immediately from Ceylon Island.

* * *

The Japanese expeditionary forces which made a bloodless entry into the City of Medan, the capital of Sumatra, today took over control of important facilities of the city.

* * *

In contrast to the generous treatment accorded the Brazilian Ambassador in Japan, the Brazilian Government has confined the Japanese Ambassador to Brazil, and he is practically a prisoner at the Embassy in Rio de Janeiro, stated Tomokazu Hori, Spokesman of the Board of Information, at the regular meeting of foreign correspondents today.

RESTORATION OF FRENCH STATUS ENSURED BY ITALO-GERMAN AID

Administration Under Laval Guides France Wisely at Threshold of Great Transition

By SHIRO MACHIDA

(From Contemporary Japan)

Shiro Machida, executive director of the Nichi-Futsu Doshi Kai (Le Comite Franco-Japonais), was formerly foreign editor, editoral writer, etc., of the Tokyo Asahi Shimbun, with which paper he is still connected in an advisory capacity. He was twice (1920 and 1937) staff correspondent of the paper at Paris and is the author of Ugokanu Kuni Fransu (France Unmoved), Sanketsu no Berugii (Belgium in Blood) and Doitsu Senzen no Shinso (Realities in Pre-war Germany).

On the conclusion of the Franco-German armistice in 1940, the political outlook of France underwent a notable change. Since then, under the leadership of Marshal Petain, it has been engaged in reconstructing its internal and external political structure in order to fit in with the altered conditions in Europe. The swift establishment of German supremacy in that part of the world has hastened the need of paving the way for Franco-German collaboration for the best advantage of either country. With a view to meeting all the contingencies in this regard, Chief of State Marshal Petain appointed Pierre Laval as Premier. Consequently, the present national regeneration movement in France under the guidance of Premier Laval should not be considered an emergency agitation; on the contrary, it should be viewed as an inevitable national revolution to restore to France its proper status in Europe as a partner of Germany and Italy.

From 1934, when a Franco-Italian convention was signed, Premier Laval has been trying to reshape the external policy of his country in the light of the foreign policies of Germany and Italy. Unfortunately, however, his views failed to register any tangible effect on account of the close Anglo-French unanimity of purpose then prevailing. Now that France is willing to cooperate with Germany and Italy, it is natural that Premier Laval should take the lead in bringing about such a rapprochement. The consummation of a harmonious accord between France and Germany is urgently required to facilitate the upsurgence of the projected new order in Europe in a realistic and lasting manner, eliminating British interference.

During Poincare's Days

It may be recalled that the question of a Franco-German understanding came into the limelight following the termination of the first World War. While the Poincare faction insisted on intensifying diplomatic relations with Britain as a means to restrain the legitimate expansion of Germany, the Briand group advocated the necessity of contracting congenial relations with Germany to maintain the peace and stability of Europe.

When the third Poincare Cabinet was organized, Premier Poincare took cognizance of M. Briand's views prompted by the desire to devote his whole attention to solving the question of the post-war economic rehabilitation of the country. So, he additionally assumed the portfolio of Finance and offered the post of Foreign Minister to M. Briand, his long-standing political opponent, promising him freedom of action in pursuing diplomacy. At that time, it appeared as if the foreign policy of France, though retaining its settled agreement with British diplomacy, were going to permit the conclusion of a rapprochement with Germany. It is not to be wondered at that immediately a clash of interests occurred between the two "democratic" nations, and France was obliged to adopt a cautious attitude to conciliate Britain.

In 1934, when Pierre Laval assumed tht portfolio of Foreign Affairs, he identified himself with the formulation of a new foreign policy to meet the requirements of the times and, therefore, as a first step toward that end, he concluded a convention with Italy. Thus, Laval diplomacy took a definite shape, but the outbreak of the Italo-Ethiopian War caused its recession to the background, enabling the firm growth of Anglo-French diplomatic oneness. In consequence, France became alienated from Germany and Italy. Although M. Laval made gestures to base French diplomacy on a realistic foundation, he found himself powerless to compete with the ingenious diplomatic pressure of Britain. The latter nation saw in his gestures a clear sign of vacillation, with the result that it found it quite convenient to reinforce its unanimity of purpose with France.

Opposition Was Strong

Certain circles are of the opinion that M. Laval failed in his diplomacy, because, being confronted with the Ethiopian issue, he became hesitant as to the course he should follow. His faltering stand was utilized by Britain to gain the unequivocal support of France in creating an Anglo-French joint front in Europe. Had M. Laval then adhered to his policy, there is no reason to doubt that not only would European diplomacy have taken a significant turn, but also France's relations with Italy and Germany would have witnessed a beneficial adjustment.

It must be said that M. Laval found it impossible to stand by his policy due to strong internal opposition. Hence, his wavering attitude to take a prompt decision reflected his desire to prevent any aggravation of situations in Europe. If, on the other hand, he had supported Premier Mussolini in the fulfilment of the terms of the Franco-Italian convention, it is problematic whether Britain would have taken any drastic measure against France, regardless of the threatening vituperations of Foreign Secretary Eden. The only thing that could have happened was an estrangement in the relations between France and Britain; but such an estrangement would have been of advantage to France, for it would have gained the full sympathy and support of Italy and Germany. Be that as it may, it is obvious that the Laval diplomacy died a natural death in view of the fact that the Italo-Ethiopian War provided Britain with an open opportunity to stabilize an Anglo-French alignment.

It is, indeed, noteworthy that Franco-German collaboration advocated by M. Briand and later temporarily given effect to by M. Laval has now become the leit-motif of Vichy diplomacy. Premier Laval is making energetic efforts to accelerate the culmination of Berlin-Vichy cooperation. There is no denying the fact that his task has been rendered difficult by the activities of the de Gaullist elements and other French military factions, which are now aiding Britain and the United States on the North African front.

The sudden volte face of Admiral Darlan, who was assassinated immediately following the Anglo-American invasion of French North Africa, brought about a new political confrontation—an unhappy situation which still exists as a concrete reality.

Amidst the present welter of political strife, it is interesting to observe that France is being tormented by a political situation somewhat resembling that of 1934. At that time, M. Eliot and M. Chautemps, leaders of the Popular Front, in conjunction with M. Daladier and M. Renault hoisted the banner of opposition to Laval diplomacy, as a sequel to the Abyssinian issue. Today General de Gaulle and the French military leaders of North Africa are unwilling to abide by the political and diplomatic policies of Vichy, because they are anxious to set up a separate French regime in North Africa in order to prosecute hostilities against Germany and Italy. However, a marked difference can be noticed in the diplomacy as existing in 1934 and as it exists in 1943. In 1934, Pierre Laval failed to carry out his diplomacy on account of his hesitant attitude and submission to internal and external political pressures. At present, despite the North African situation, he is in a favorable position to usher in an era of collaboration with Germany and Italy, for his position internally is now quite sound.

Experiencing Changes

Those French leaders who have made common cause with Britain and the United States must be perfectly aware that their country is now undergoing an unprecedented political solstice. Whatever may be the final outcome of the current world-wide war, it is almost certain that the diplomacy now being put into motion by Vichy will find a permanent place to strengthen the bond of cordiality between France and the Italo-German nations. In fact, the reinstatement of Laval diplomacy can be construed as an optimistic sign of a wholesome future improvement in the Franco-German and Franco-Italian relations. The Darlan assassination episode has transparently indicated that neither the French partners of Britain and America are united in their ultimate aims, nor are London and Washington sincerely solicitous to act in a conjoned manner. Under such circumstances, it would be mere height of imagination to say that a French administration organized in North Africa would react adversely on the program of national revolution of Marshal Petain and of the policy of collaboration with Germany of Premier Laval.

In regard to the tragic about-face of Admiral Darlan, accurate information is still unavailable. It seems hardly possible that Admiral Darlan, who was Deputy Chief of State, would willingly go over to the side of Britain and America. It is well known that throughout his career he all along resented France's cooperation with Britain, though he maintained a friendly attitude toward the United States. It may be that when the Anglo-American invasion of French North Africa started, he found himself unable to continue resistance. He was reported as having communicated with Marshal Petain by telephone prior to his negotiation of surrender with Lieutenant-General Eisenhower, commander-in-chief of the American forces in North Africa. Therefore, it would be unwise to jump to the conclusion that he had proceeded to North Africa for the purpose of joining the Anglo-American side. Nevertheless, his acceptance of the American offer to organize a separate French administration in North Africa cannot be condoned. At the same time, it has to be admitted that his untimely end at the hands of an assassin amply discloses that he was not willing to become a subservient political and military tool of the Anglo-American command; he was rather anxious to serve the interests of France within the confines of his limited power.

Admiral Darlan after assuming the responsibility of setting up a local administration in North Africa made a broadcast appeal to France, in which he stated that America's object was to establish a base of operations against the Axis forces in Europe. He added that the United States had no territorial design on French North Africa and assured the French people that simultaneous with the termination of the war, America would return all French territories in North Africa. This radio appeal throws light on the reason which motivated Admiral Darlan to acquiesce in the proposal of the United States. The fact that he made no overtures to come to terms with Britain is evidence enough that he was not agreeable to undertake any assignment relating to Anglo-French question, and as such, it is more than unlikely that Britain would have welcomed his alliance with America. Interpreting Admiral Darlan's change of heart in this way, one can clearly visualize why he fell a victim to the bullets of an assasin.

Majority Support Petain

Those French leaders who are now espousing the cause of Britain and the United States think that an Italo-German victory in Europe would be detrimental to the power of France. Generals de Gaulle, Giraud and Nogues are now propagating this line of thought. As against this, Marshal Petain and Premier Laval are honestly convinced in their minds that the salvation and prosperity of France lie in effecting closer intercourse with Germany. Since the majority of the French people are solidly supporting their Chief of State and Premier, it is apparent that France has forsaken its previous political and diplomatic attitude, with the object of facilitating the early realization of a mutually beneficial Franco-German unanimity. Chancellor Hitler has already stated more than once that he sincerely wishes that the French people should follow the path now being rapidly laid by Laval diplomacy. He does not harbor any intention of encroaching upon the sovereign rights and the rightful activities of France; all that he wishes is its collaboration in the reconstruction of Europe on a genuine basis of inter-State homogeneity.

The Washington Government some time ago published a "white book" summarizing America's diplomatic relations with other countries in the past ten years. Premier Laval in criticizing the observations contained in it deprecated Washington's policy of interference in the affairs of other nations. He contended that America's attitude toward the Abyssinian issue and its behind-the-screen manipulation in the operation of the machinery of the League of Nations created an unnecessary "democratic" front to bring pressure to bear on the Axis Powers. Furthermore, before it became involved in the present international hostilities, it resorted to all sorts of measures to disrupt the movement of the Rome-Berlin Axis and, in collaboration with Britain, victimized France into taking an unreasonable drastic step against Germany. He concluded that America's persistent intervention in European diplomacy caused an unfortunate embitterment in the Franco-German relations.

Premier Laval's criticism of American diplomacy needs no amplification. Just as France is endeavoring to harmonize its relations with Germany so as to rectify its past defects arising out of reliance on Britain and the United States, so Japan as an Axis partner is forging ahead to establish its right of influence in its legitimate sphere of the world by liquidating the intruding policy of the Anglo-American nations. It is a remarkable coincidence that Japan and France, are now in complete accord with Germany and Italy to build a new international order and thereby do away with the system of exploitation of the London-Washington oligarchy.

The Vichy Government, which is determined to evolve an endurable Franco-German entente cordiale, cannot be influenced or swayed by the dissident activities of the Popular Front. The firm reinstatement of Laval diplomacy outspokenly illustrates the resolve of the majority of the people in France to reconstruct their national fabric in conformity with the changed conditions in Europe. Whatever system may come to operate in French North Africa, it is certain that the Vichy Govern-

(Continued on Page 4)

SHANGHAI PLAYS LEADING ROLE IN EXPANSION OF CENTRAL CHINA

Speedy Rehabilitation and Reorganization of Zones of War Achieve Smooth Flow of Commodities

By SHUICHI MORISHITA

(From the Sozo)

Part II

On July 21 the Finance Ministry instituted a measure to impose strict control on financial institutions, many of which were chiefly engaged in speculative enterprises. These were required to make a deposit with the Central Reserve Bank to guarantee payment to their depositors, report their financial condition and permit inspection of their books.

With the financial factors thus placed under governmental control, the Central Commodity Price Policy Joint Committee, on which were representatives of the Industry and Finance Ministries of the Nanking Government, the Economic Department of the Japanese Embassy, and the Japanese Army and Navy, was set up on November 21 to consider the problem from the viewpoint of commodities.

On November 23 the Japanese Embassy issued the following summary of the Committee's policy.

"The policy on commodity prices in Central China will be considered in relation to the commodity prices prevailing in the whole of the Greater East Asia Sphere, and its enforcement is aimed at stabilizing living conditions in Central China, to realize the self-sustenance of the Japanese Army in this area, to promote economic recovery and development and to contribute to the successful prosecution of the War of Greater East Asia. This policy will be coordinated to those relating to currency, finances and industrial facilities.

"In view of the special importance attached to the economic conditions of Central China with reference to its position in the Greater East Asia Co-Prosperity Sphere at this stage of the war, emphasis must be stressed on the increase of the supply and the improvement of the distribution of commodities in this region, the recovery and development of industries, the establishment of an efficient supply-and-distribution system, the flow of imports from the southern regions, and finally the avoidance of a rigid system that may hamper the maximum possibilities of this policy."

Supply Must Be Increased

In China the general living standards are relatively very low, and a great gap exists between those of the masses and of the wealthy class, so that the adjustment between supply and demand cannot be achieved by the policy practiced in Japan of controlling consumption in relation to the supply. Thus, the practicable policy is as above stated, to assure an increasing supply of commodities through greater production and imports.

With the outbreak of the present war the flow of commodities, including rice and wheat, from the United States, Britain and other countries has stopped completely, and even imports from Japan, Manchoukuo and North China have fallen off, so that Central China must now either increase its own productive facilities or undertake an economic war against Chungking to draw in products from the hinterland which otherwise flow to the enemy.

An advance in the achievement of the latter objective is the increase of the circulation of reserve bank notes in the interior and the spread of the pacification movement. The solution of the commodity problem will follow on the heels of the strengthening of the Nanking Government and the increase of its political influence.

The change of Shanghai from a speculation market to an industrial center will be an epochal event foreshadowing a basic advance for the economic reconstruction of Central China and a fundamental step in the establishment of the Co-Prosperity Sphere.

When the Chungking army withdrew to the interior, Shanghai's industrial enterprises made a rapid recovery from the ravages of war, and for a time there was an abnormal prosperity which continued to the outbreak of the War of Greater East Asia. Reasons for this unnatural boom were the sudden influx of population from the Kiangsi and Chekiang provinces, the resultant increase in demand and consumption, the transfer of industries from Hainan Island and coastal towns to Shanghai, the steady underground traffic of goods between the city and the interior, the rise in commodity price and increase of hoarding following the outbreak of the European War which cut off the supply of raw meterial, the drop in the value of the fapi which induced the possession of goods rather than of money, and finally French Indo-China, Thailand and India no longer able to import freely from Europe became new markets for Shanghai industries. An abnormal industrial boom could not but result from the operation of these conditions.

Obstacles in Way

However, there was no sound economic foundation for this prosperity, and adversely reacting to this boom were the strict blockade of the coast and rivers of China, the rigid control of the foreign exchange by the Federal Bank of Peking to hamper trade with North China, an acute shortage of bottoms resulting from European countries commandeering shipping in East Asia to curtail imports of raw materials and fuel, the limitations on the use of electricity resulting from the shortage of coal, the great decrease in imports of raw materials from territories under Anglo-American influence which monopolized them for their own military needs and the "freezing acts" imposed on Chinese goods by the United States and Britain.

For a short while Shanghai's industries enjoyed unprecedented prosperity, but adverse factors began to be felt from 1940, and finally the War of Greater East Asia broke out to strike a fatal blow, an inevitable result as they had grown out of proportion to the law of production and consumption.

Coming within the Co-Prosperity Sphere, the industries of Shanghai can no longer continue their headlong, irresponsible programs, and under Sino-Japanese control they have been reorganized on a sound, efficient basis.

In the case of the principal industry in Shanghai, cotton-spinning, close cooperation is now prevalent between Japanese and Chinese controlled plants, and recently 22 plants organized the Cotton-Spinning Industry League, under the sponsorship of the Ministry of Industry of the Nanking Government, to act as a control body to develop the industry. With the stoppage of the import of raw cotton from overseas sources, Shanghai cotton-mills are now dependent on the supply from Central China, and this is distributed equitably and in accordance with the Government's policies of price control among all the plants.

Investments Diverted

However, the current cotton crop of an estimated 2,200,000 tang in the lower Yangtze area will be insufficient to provide a profitable supply to certain Japanese cotton plants, and those with surplus capital are now turning toward other industries for investment. As a result, some cotton-spinning companies have established themselves in heavy industry, machinery, pulp manufacture, granaries and beer breweries.

Before the outbreak of the China affair cotton goods produced in Shanghai were absorbed principally in Central and South China, with some exports to North China, India and the South Seas. Subsequent to the hostilities they were confined to the occupied areas along the Yangtze, and with the Anglo-American "freezing act" exports to the southern regions were cut off. The condition of over-supply of manufactured goods and the problem of getting raw cotton in great quantity were heavy blows to Shanghai's spinning mills.

Now, with the successful progress of the War of Greater East Asia the situation for them is greatly improved. The military successes of the Imperial Army and Navy in the southern regions as well as in China and the speedy rehabilitation and reorganization of the zones of war have been followed by the installation of a barter system of the cotton goods from Shanghai for the rice from Thailand and French Indo-China, while under another barter agreement a large-scaled supply of Shanghai cotton goods is exported to North China. Manchoukuo has recently imported ¥10,000,000 of cotton yarns and goods under a similar agreement.

These are but the beginning of a smooth flow of commodities in a reciprocal trade among the countries of the Greater East Asia Co-Prosperity Sphere, and the industries of Central China will have to be geared to efficient, high-speed production in order to fill their role in the economic constitution of this new order.

(End)

Fruits of Wisdom

There is no folly of which a man who is not a fool cannot get rid except vanity; of this nothing cures a man except experience of its bad consequences, if indeed anything can cure it.—Rousseau.

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It is the edge and temper of the blade that make a good sword, not the richness of the scabbard; and so it is not money or possessions that make man considerable, but his virtue.—Seneca.

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The good wife commandeth her husband, in any equal matter, by constantly obeying him.

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He who has a firm will molds the world to himself.—Goethe.